DOCUMENT RESUME

ED 141 950 EA 009 764

TITLE	Child Nutrition Legislation. Hearings before the Subcommittee on Nutrition of the Committee on Agriculture, Nutrition, and Forestry. United States Senate. Ninety-Fifth Congress. First Session on S. 720 and S. 1420.
INSTITUTION	Congress of the U.S., Washington, D.C. Senate Committee on Agriculture, Nutrition, and Forestry.
PUB DATE	77
NOTE	112p.; Not available in hard copy due to type size of original
EDRS PRICE	MF-$0.83 Plus Postage. HC Not Available from EDRS.
DESCRIPTORS	Breakfast Programs; Child Welfare; Educational Finance; Educational Legislation; Elementary Secondary Education; Federal Aid; Federal Government; *Federal Legislation; *Federal Programs; *Lunch Programs; *Nutrition; *Nutrition Instruction
IDENTIFIERS	*Child Nutrition Act 1966; *National School Lunch Act

ABSTRACT

This publication is a comprehensive record of testimony and exhibits presented to the Subcommittee on Nutrition of the U.S. Senate during hearings on S. 720, a bill to authorize a program of nutrition information and education as part of school food service programs, and S. 1420, a bill to amend the National School Lunch Act and the Child Nutrition Act of 1966. Included are testimony and exhibits of ten individuals, including the head of a grocery firm, a number of officials from the U.S. Department of Agriculture, several U.S. Senators and Congressmen, and representatives of the American School Food Service Association and the Society of Nutrition Education. The complete text of both bills is also included. (JG)

****
* Documents acquired by ERIC include many informal unpublished *
* materials not available from other sources. ERIC makes every effort *
* to obtain the best copy available. Nevertheless, items of marginal *
* reproducibility are often encountered and this affects the quality *
* of the microfiche and hardcopy reproductions ERIC makes available *
* via the ERIC Document Reproduction Service (EDRS). EDRS is not *
* responsible for the quality of the original document. Reproductions *
* supplied by EDRS are the best that can be made from the original. *
****

ED141950

CHILD NUTRITION LEGISLATION

HEARINGS

BEFORE THE

SUBCOMMITTEE ON NUTRITION

OF THE

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

UNITED STATES SENATE

NINETY-FIFTH CONGRESS

FIRST SESSION

ON

S. 720

A BILL TO AUTHORIZE THE SECRETARY OF AGRICULTURE TO CARRY OUT A PROGRAM OF NUTRITION INFORMATION AND EDUCATION AS PART OF FOOD SERVICE PROGRAMS FOR CHILDREN CONDUCTED UNDER THE SCHOOL LUNCH AND CHILD NUTRITION ACTS

AND

S. 1420

A BILL TO AMEND THE NATIONAL SCHOOL LUNCH ACT AND THE CHILD NUTRITION ACT OF 1966 IN ORDER TO REVISE AND EXTEND THE SUMMER FOOD PROGRAM, TO REVISE THE SPECIAL MILK PROGRAM, TO REVISE THE SCHOOL BREAKFAST PROGRAM, TO AUTHORIZE THE SECRETARY OF AGRICULTURE TO CARRY OUT A PROGRAM OF NUTRITION INFORMATION AND EDUCATION AS PART OF FOOD SERVICE PROGRAMS FOR CHILDREN CONDUCTED UNDER SUCH ACTS, AND FOR OTHER PURPOSES

MAY 5 AND 6, 1977

Printed for the use of the
Committee on Agriculture, Nutrition, and Forestry

U.S. GOVERNMENT PRINTING OFFICE
91-647 WASHINGTON : 1977

U S DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION

THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

EA 009 764

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

HERMAN E. TALMADGE, Georgia, *Chairman*

JAMES O. EASTLAND, Mississippi
GEORGE McGOVERN, South Dakota
JAMES B. ALLEN, Alabama
HUBERT H. HUMPHREY, Minnesota
WALTER D. HUDDLESTON, Kentucky
DICK CLARK, Iowa
RICHARD B. STONE, Florida
PATRICK J. LEAHY, Vermont
EDWARD ZORINSKY, Nebraska
JOHN MELCHER, Montana

ROBERT DOLE, Kansas
MILTON R. YOUNG, North Dakota
CARL T. CURTIS, Nebraska
HENRY BELLMON, Oklahoma
JESSE HELMS, North Carolina
S. I. HAYAKAWA, California
RICHARD G. LUGAR, Indiana

MICHAEL R. McLEOD, *General Counsel and Staff Director*

SUBCOMMITTEE ON NUTRITION

GEORGE McGOVERN, South Dakota, *Chairman*

HUBERT H. HUMPHREY, Minnesota
PATRICK J. LEAHY, Vermont
JOHN MELCHER, Montana

ROBERT DOLE, Kansas
HENRY BELLMON, Oklahoma
JESSE HELMS, North Carolina

Ex Officio Member

HERMAN E. TALMADGE, Georgia

CONTENTS

	Page
McGovern, Hon. George, a U.S. Senator from South Dakota, opening statement	1
Bills:	
S. 720	3
S. 1420	10

CHRONOLOGICAL LIST OF WITNESSES

Gephardt, Hon. Richard A., Representative in Congress from the Third District of Missouri	46
Martin, Josephine, president, American School Food Service Association, Atlanta, Ga	48
Ullrich, Helen, executive director, Society of Nutrition Education, Berkeley, Calif	54
White, Jean, president-elect, American School Food Service Association, Sacramento, Calif	59
Grant, Robert W. Jr., chairman of the board, Grant Grocer Co., Saginaw, Mich	63
Foreman, Hon. Carol Tucker, Assistant Secretary for Food and Consumer Services, USDA; accompanied by Lewis Straus, Administrator, Food and Nutrition Service; Robert Greenstein, Special Assistant to the Secretary; Juan Del Castillo, Director, Food Distribution Division, FNS; William E. Boling, Manager, Child Nutrition Division; Margaret Glaven, Manager, School Nutrition Programs Branch	65

APPENDIX

Humphrey, Hon. Hubert H., a U.S. Senator from Minnesota, prepared statement	83
Percy, Hon. Charles H., a U.S. Senator from Illinois, prepared statement	84
Gephardt, Richard A., Representative in Congress from the Third District of Missouri, prepared statement	85
Martin, Josephine, president, American School Food Service Association, Atlanta, Ga., prepared statement	86
Ullrich, Helen D., executive director, Society for Nutrition Education, Berkeley, Calif., prepared statement	88
Grant, Robert W. Jr., chairman of the board, Grant Grocer Co., Saginaw, Mich., prepared statement	91
Foreman, Hon. Carol Tucker, Assistant Secretary for Food and Consumer Services, USDA, prepared statement	94
National Education Association, prepared statement	99
Additional material submitted by Senator McGovern	101

CHILD NUTRITION LEGISLATION

THURSDAY, MAY 5, 1977

U.S. SENATE,
SUBCOMMITTEE ON NUTRITION OF THE
COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:10 a.m., in room 322, Russell Senate Office Building, Hon. George McGovern (chairman of the subcommittee) presiding.

Present: Senators McGovern, Leahy, Melcher, and Dole.

STATEMENT OF HON. GEORGE McGOVERN, A U.S. SENATOR FROM SOUTH DAKOTA

Senator MCGOVERN. I am pleased that we can open this important hearing on child nutrition legislation this morning. We are going to hear testimony concerning several of the child nutrition programs, and we will hear testimony on nutrition education.

During the past 8 years the Senate Select Committee on Nutrition and Human Needs has attempted to bring a special focus on the problem of hunger and malnutrition in the United States. These years of research, investigation, hearings, development of policy and legislative initiative have resulted in some of the most important legislation we now have on the books, the National School Lunch and Child Nutrition Act.

The hearing this morning represents still another significant milestone in this process—a legislative committee holding hearings on nutrition education with the intent to markup and report education legislation.

The food programs which have been created by the Congress represent only part of the intent to eliminate hunger and malnutrition; the other part is to provide nutrition information and education.

The food programs offer a vehicle by which we cannot only provide nutritious foods to people, but also allow us an opportunity to educate people concerning the nutritional and health aspect of eating a nutritious diet. Nutrition education can serve as a fundamental component of preventive health policy. It is agreed by the members of this committee that these new emphases on preventive health policy represent one of the most important contributions which have been made by the Select Committee on Nutrition and Human Needs.

Health care costs have been projected to reach $230 billion by fiscal year 1978. I expect—parenthetically—that is one of the reasons we have not had a proposal yet from the administration on a major health

care measure because of the staggering cost involved in dealing with the problems from that end, rather than approaching it on a preventive basis.

It has been estimated that we could cut the Nation's health bill by one-third through improved nutrition, to say nothing of some of the other preventive steps that might be taken. The Congress could make no wiser investment in the future than in nutrition education. Even from a dollars and cents standpoint, every dollar wisely invested in helping to keep the American people healthy means very large savings later in avoiding disease and medical expenses.

These hearings provide an opportunity to conduct some serious evaluations of how our food programs are working toward that end.

We have four excellent witnesses scheduled this morning. Congressman Richard Gephardt of St. Louis is the leadoff witness, followed by Josephine Martin, president of the American School Food Service Association, who has been before this committee many times; Helen Ullrich, of the Society of Nutrition Education; and Jean White, director of the school food service program of California, and president-elect of the American School Food Service Association.

We are operating under a very severe time constraint this morning, and in order to get this hearing out of the road and also go ahead with markup tomorrow, we are going to ask each of the four witnesses to confine their opening statements this morning to not more than 10 minutes, so we will have some time for questions.

Senator Dole, do you have an opening statement you wish to make?

Senator DOLE. I have no opening statement. I certainly share the views expressed by the chairman, this is a significant hearing, and I will just listen to the testimony.

Senator MCGOVERN. At this point in the proceedings I will introduce into the record copies of S. 720 and S. 1420.

[S. 720 and S. 1420 follow:]

95TH CONGRESS
1ST SESSION

S. 720

IN THE SENATE OF THE UNITED STATES

FEBRUARY 11 (legislative day, FEBRUARY 1), 1977

Mr. HUMPHREY (for himself, Mr. ANDERSON, Mr. BAYH, Mr. MCGOVERN, Mr. PELL, Mr. RANDOLPH, Mr. RIEGLE, and Mr. WILLIAMS) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To authorize the Secretary of Agriculture to carry out a program of nutrition information and education as part of food service programs for children conducted under the School Lunch and Child Nutrition Acts.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Child Nutrition Information and Education Act of 1977".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds that:

(1) The proper nutrition of the Nation's children is a matter of highest priority.

(2) The lack of understanding of the principles of good nutrition and its relationship to health can lead to the child's rejection of certain highly nutritious foods and consequent plate waste in school food service operations.

(3) Many teachers and school food service operators have not had adequate training in the fundamentals of nutrition.

(4) There is a need for a closer relationship and coordination between information on the principles of good nutrition supplied to children in the classroom and the application of these principles in the school cafeteria.

(b) It is the purpose of this Act to encourage the dissemination of sound nutrition information to children participating or eligible to participate in the school lunch and related child nutrition programs by establishing a system of grants of State educational agencies for the training of food service and educational personnel in the principles of good nutrition and development of comprehensive nutrition education programs. Such comprehensive nutrition education programs shall fully utilize as a learning laboratory the existing school lunch and child nutrition programs.

NUTRITION INFORMATION AND TRAINING

SEC. 3. The Secretary of Agriculture (hereinafter referred to as the "Secretary") is authorized to formulate and carry out a program, through a system of grants to State

educational agencies, to provide for (1) the nutritional training of food service and educational personnel; and (2) the conduct of nutrition education activities in schools and child care institutions eligible under the School Lunch and Child Nutrition Acts. Such a program is to be coordinated at the national level with other nutrition activities conducted by education and health agencies. In formulating such a program, the Secretary shall solicit the advice and recommendations of the National Advisory Council on Child Nutrition, State educational agencies, and other interested groups and individuals concerned with improvement of child nutrition.

APPROPRIATIONS AUTHORIZED

SEC. 4. (a) For the fiscal year 1978 and subsequent fiscal years, grants to the States for the conduct of the nutrition education and information program shall be based on a rate of 50 cents for each child enrolled in schools or children in situations within the State: *Provided, however,* That no State shall receive an amount less than $75,000 per annum. Enrollment data so used will be the latest available as certified by the Office of Education of the Department of Health, Education, and Welfare.

(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

(c) In addition to the moneys otherwise available under this Act, in the case of States which do not administer the school lunch and child nutrition programs in eligible private schools and child care institutions, the Secretary is authorized to withhold funds from such States for the purpose of carrying out the program authorized under this Act. Such withholding shall be based on the number of children attending private schools and child care institutions in such State.

AGREEMENTS WITH STATE AGENCIES

SEC. 5. The Secretary is authorized to enter into agreements, incorporating the express provisions of this Act, with State educational agencies and develop and issue such regulations as are necessary to implement the programs authorized under this Act.

USE OF FUNDS

SEC. 6. (a) The funds made available under section 4 of this Act may be used by State educational agencies for (1) the planning, development, and conduct of nutrition education programs and workshops for food service and education personnel; (2) coordinating and promoting nutrition information activities in local school districts using as a learning laboratory existing child nutrition programs, including, but not limited to, the national school lunch program; (3) contracting with public and private educational

institutions for the conduct of nutrition education programs relating to the purposes of this Act; and (4) related purposes including the preparation and distribution of visual aids and other informational materials.

(b) Such funds may be used by State educational agencies for the employment of nutrition information specialists, and personnel of similar qualifications, including travel and related personnel costs, to carry out the functions of subsection (a) of this section.

(c) An amount not to exceed 15 per centum of each State's grant may be used for overall administrative and supervisory purposes in connection with the program authorized under this Act.

ACCOUNTS, RECORDS, AND REPORTS

SEC. 7. (a) State educational agencies, participating in programs under this Act, shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance under this Act and the regulations thereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines to be necessary.

(b) State educational agencies shall provide periodic reports on expenditures of Federal funds, program par-

ticipation, program costs, and so forth, in such form as the Secretary may prescribe.

FOOD AND NUTRITION INFORMATION AND EDUCATION RESOURCES CENTER

SEC. 8. (a) There is hereby established within the National Agricultural Library of the United States Department of Agriculture a Food and Nutrition Information and Education Resources Center. Such Center shall be responsible for—

(1) assembling and collecting food and nutrition education materials, including the results of nutrition research, training methods and procedures, and other materials related to the purposes of this Act; and

(2) maintaining such information and materials in a library and providing for this dissemination on a regular basis to State educational agencies and other interested persons.

(b) Not to exceed $1,500,000 from the funds appropriated to carry out this Act shall be used for the purposes of this section.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 9. (a) In carrying out the provisions of this Act, neither the Secretary nor a State shall impose any requirement with respect to teaching personnel, curriculum, instruc-

tion, methods of instruction, and materials of instruction in any school.

(b) For purposes of this Act, any term defined in the National School Lunch Act shall have the same meaning when used in this Act.

95TH CONGRESS
1ST SESSION

S. 1420

IN THE SENATE OF THE UNITED STATES

APRIL 28, 1977

Mr. McGOVERN introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the National School Lunch Act and the Child Nutrition Act of 1966 in order to revise and extend the summer food program, to revise the special milk program, to revise the school breakfast program, to authorize the Secretary of Agriculture to carry out a program of nutrition information and education as part of food service programs for children conducted under such Acts, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National School Lunch Act and Child Nutrition Act of 1966 Amendments of 1977".

SEC. 2. Effective October 1, 1977, section 13 of the National School Lunch Act is amended to read as follows

(except that the Secretary shall undertake the studies which he is directed to conduct pursuant to subsection (b) (3) of such section as soon as practicable following enactment of this Act) :

"SUMMER FOOD PROGRAM

"SEC. 13. (a) (1) There is hereby authorized to be appropriated such sums as are necessary for the fiscal years beginning October 1, 1977, and ending September 30, 1982, to enable the Secretary to formulate and carry out a program to assist States, through grants in aid and other means, to initiate, maintain, and expand nonprofit food service programs for children in service institutions. For purposes of this section, the term 'program' means the summer food service program authorized by this section, and the term 'sponsor' means nonresidential public or private nonprofit institutions, and residential public or private nonprofit summer camps, which provide an on-going year-round service to the community, and that develop special summer programs which provide food service for children enrolled in such institutions or attending such camps similar to the food service made available to children participating in the school lunch program under this Act or participating in the school breakfast program under the Child Nutrition Act of 1966 during the school year. The year-round eligibility requirement for spon-

sors shall not apply when the sponsor meets all other eligibility criteria and the children or area will not otherwise be served. To the maximum extent feasible, consistent with the purposes of this section, special summer programs shall utilize meals prepared at the facilities of the sponsor or at the food service facilities of public and nonprofit private schools. The Secretary is directed to assist States in the development of information and technical assistance in furtherance of encouraging increased utilization of meals prepared at the facilities of sponsors and at schools. A fund of $3,000,000 shall be established to enable the Secretary to formulate and carry out a program to assist institutions which offer federally subsidized food service year round with equipment other than land and buildings, for the storage, preparation, and serving of foods to enable institutions to establish, maintain, and expand onsite meal preparation.

"(2) Any institution which applies to participate in the program, which demonstrates adequate administrative and financial responsibility, and which has not been seriously deficient in operating the program in prior fiscal years shall be entitled to participate in the program upon a demonstration that all appropriate eligibility criteria are met. Sponsors may be churches, school boards, boys' and girls' clubs, YMCA's, YWCA's, community action programs, mayor's

youth programs, or other nonprofit organizations which offer a year-round service to the local community pursuant to paragraph (1).

"(3) to promote quality food service programs, the Secretary may develop guidelines for site size limitations applicable to sponsors. Sponsors eligible to participate under the program authorized by this section shall be limited to those which conduct a regularly scheduled program for children through age twenty from areas in which poor economic conditions exist, or which satisfy the eligibility criteria specified in paragraph (5) of this subsection, at site locations where organized recreation activities or food services are provided for children in attendance. The following order of priority shall be utilized by the administering agency in determining sponsorship where more than one institution proposes to serve the same area: (A) sponsors which have demonstrated successful program performance in a prior year; (B) sponsors which prepare meals at their own facilities or which operate only one site; (C) sponsors which plan to integrate the program with other Federal, State, or local employment programs; (D) public or nonprofit private sponsors which utilize local school food facilities for the preparation of meals; (E) other public or nonprofit private sponsors which have demonstrated ability for successful program operation.

91-647 O - 77 - 2

"(4) For the purposes of this section, the term 'poor economic conditions' means an area in which at least 33⅓ per centum of the children are eligible for free or reduced price school meals under the National School Lunch Act and the Child Nutrition Act as shown by information provided from model city target areas, departments of welfare, zoning commissions, census tracts by the number of free and reduced price lunches or breakfasts served to children attending schools located in the area of summer food sites, or from other applicable sources. The term 'State' means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

"(5) Residential camps shall be reimbursed for the cost of food service operations only for meals served to children eligible for free or reduced price school meals under the National School Lunch Act and Child Nutrition Act of 1966

"(b) (1) The amount of financial assistance made available to sponsors shall be an amount equal to the full cost of food service operations, except that the amount of financial assistance to any sponsor shall not exceed: (A) 85.75 cents for all costs excepting administrative costs for each lunch and supper served; (B) 47.75 cents for all costs excepting administrative costs for each breakfast served; or (C) 22.50 cents for all costs excepting administrative costs for each meal

supplement served. The amount specified in the preceding sentence shall be adjusted each February 1 to the nearest one-fourth cent in accordance with changes for the year ending December 31 in the series for food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. The initial such adjustment shall reflect the change in the series for food away from home during the period December 31, 1976, to December 31, 1977. The Secretary shall make recommendations and adjustments regarding any necessary changes in the reimbursement levels pursuant to the study prescribed in paragraph (3) of this subsection. The cost of food service operations (other than administrative or site costs) shall include the cost of obtaining, preparing, and delivering food. Sponsors shall be permitted to serve breakfasts, suppers, and meal supplements as well as lunches if the service period of different meals does not coincide or overlap and if the sponsor has the administrative capability to manage more than one meal service per day.

"(2) Every institution, when applying for the program, shall submit a complete budget for administrative costs related to the program, which budget shall be subject to approval by the appropriate State. The amount of financial assistance made available to sponsors shall be an amount

equal to the full cost of such administrative costs incurred, except that such amount shall not exceed maximum allowable levels to be determined by the Secretary pursuant to the study prescribed by paragraph (3) of this subsection. The maximum allowable levels of assistance in the case of any sponsor shall reflect the number of sites managed by such sponsor, and, where applicable, the number of children served at such sites.

"(3) The Secretary is hereby directed to conduct a study of the food service operations carried out under this Act. Such study shall include, but shall not be limited to:

"(A) an evaluation of meal quality as related to costs;

"(B) the impact on the local economy of such operations;

"(C) a determination of whether a percentage of the food service operating reimbursement should be set aside for food costs only and whether different reimbursement levels should be established for on-site preparation and for vendored meals;

"(D) a determination of whether adjustments in the reimbursement levels for food service operation costs prescribed in paragraph (1) of this subsection should be made; and

"(E) a determination of whether all or a part of the site-related costs of sponsors should be included in the definition of administrative costs.

In conjunction with clauses (D) and (E) above, the Secretary is directed to analyze the administrative expenditures of sponsors participating in the program and to prescribe maximum allowable levels for administrative reimbursements based on the analysis of such expenditures. The recommendations regarding administrative reimbursement may provide for different maximum allowable administrative levels reflecting site-related costs, types of meal service, and number of children served for meals prepared at the service facilities of the sponsor, or at public or nonprofit private schools, if the analysis demonstrates such action to be necessary. Any such study shall take into account reimbursement levels prescribed by the amendments made by the National School Lunch Act and Child Nutrition Act of 1966 Amendments of 1977. The Secretary shall report his findings and recommendations to Congress on or before November 1, 1977, and shall promulgate regulations implementing this section in accordance with the timetable prescribed in subsection (i).

"(c) Financial assistance shall be made available to sponsors only for meals served during the months of May through September, except that the foregoing provision shall

not apply to sponsors which develop food service programs for children on school vacation at any time under a continuous school calendar or prevent such sponsors, if otherwise eligible, from participating in the program authorized by this section.

"(d) Not later than April 15, May 15, and July 1 of each year, the Secretary shall forward to each State a letter of credit (advance payment) which shall be available to each State for the payment of meals to be served in the month for which the letter of credit is issued. The amount of the advance payment shall be an amount which the State demonstrates, to the satisfaction of the Secretary, to be necessary for advance payments to sponsors in accordance with subsection (e). The Secretary shall also forward such advance payments, on the first day of the month prior to the month in which the program will be conducted, to States which operate the program in months other than May through September (as provided in subsection (e)). The Secretary shall forward remaining payments due pursuant to subsection (b) no later than sixty days following receipt of valid claims therefor. Any interest earned on advance program payments by any sponsor shall be returned to the Secretary.

"(e) (1) Not later than June 1, July 15, and August 15 of each fiscal year, or, in the case of sponsors which op-

erate under a continuous school calendar, the first day of each month of operation, the State agency shall forward advance program payments to each sponsor, but in no case shall (1) the State agency release the second month's advance program payment to any sponsor which has not certified that it has held training sessions for its own personnel and the site personnel with regard to program duties and responsibilities, or (2) any advance program payment be made for any months in which the sponsor will operate under the program for less than ten days.

"(2) The amount of the advance payment for any month in the case of any sponsor shall be an amount (A) not less than the total program payment for meals served by such sponsor in the same calendar month of the preceding calendar year, (B) 50 per centum of the amount established by the State agency to be needed by such sponsor if such sponsor contracts with a food service management company, or (C) 65 per centum for such sponsor if such sponsor prepares its own meals, whichever amount is greatest. In no case shall the amount of the advance payment exceed the total amount estimated by the State agency to be needed by the sponsor for meals to be served in the month for which such advance payment is made or $40,000, whichever is less, except that a State may make a larger advance payment to a sponsor in circumstances where the State determines that

such larger payment is necessary for the operation of the program by such sponsor and where the sponsor demonstrates sufficient administrative and management capability to justify a larger payment. The State shall forward any remaining payment due to a sponsor no later than seventy-five days following receipt of valid claims. If the State agency has reason to believe that a sponsor will not be able to submit a valid claim for reimbursement covering the period for which an advance payment has been made, the subsequent month's advance program payment shall be withheld until such time as the State agency has received a valid claim. Program payments advanced to sponsors which are not subsequently deducted from a valid claim for reimbursement shall be repaid upon demand to the State agency.

"(f) Sponsors to which funds are disbursed under this section shall serve meals consisting of a combination of foods and meeting minimum nutritional standards prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost to children attending institutions approved for operation under this section. To promote meal quality, States shall, with the assistance of the Secretary, prescribe model meal specifications and ensure that all sponsors that contract for the preparation of meals with food service management companies include in contracts between such sponsors and food service management companies

menu cycles and food safety and quality standards approved by the State and ensure that such standards are complied with.

"(g) (1) Each State agency, with the assistance of the Secretary, shall establish a standard form of contract for use by sponsors and food service management companies. Any sponsor whose contract with a food service management company will exceed $10,000 in value shall use a competitive bid procedure in the selection of the food service management company. All bids totaling $100,000 or more shall be submitted to the State agency for approval before acceptance.

"(2) In order to participate, food service management companies shall register with the administering State agency. For purposes of this section registration shall include, at a minimum: (A) certification that the company now meets applicable State and local health, safety, and sanitation standards; (B) disclosure of past and present company officers and directors and the relationship, if any, to any sponsor or food service management company which received program funds in any prior fiscal year; (C) records of past contract terminations or disallowances in regard to program operations in prior fiscal years; (D) disclosure of information relating to its financial and administrative capabilities to provide an established number of meals; and (E) the address of its food preparation and distribution sites. The State agency

shall, upon award of any bid, review the company's registration to calculate how many remaining meals the food service management company is equipped to prepare.

"(3) To insure that only quality food service management companies be permitted to contract for services in all States, the Secretary shall maintain a record of all registered food service management companies and their program record for the purpose of making such information available to the States.

"(4) Positive efforts shall be made by the sponsor to utilize small business and minority-owned business sources of supplies and services. Such efforts shall allow those sources the maximum feasible opportunity to compete for contracts utilizing program funds.

"(h) Each sponsor whose total program payments under any program agreement are expected to exceed $50,000 shall have an audit conducted of its program claims and the supporting documentation for those claims by an independent certified public accountant. The sponsor's final claim shall not be eligible for payment until the audit has been completed and the results have been reviewed by the State, subject to review by the Secretary.

"(i) The Secretary shall publish proposed regulations relating to the implementation of the program by November 1 of each fiscal year, shall publish final regulations by

January 1 of each fiscal year, and shall publish guidelines, applications, and handbooks by February 1 of each fiscal year. In order to improve program planning, the Secretary is authorized to provide that sponsors be paid as startup costs a percentage of the administrative funds provided for in the administrative budget approved by the State pursuant to the study prescribed in subsection (b) (3). Any payments made for startup costs shall be subfracted from amounts otherwise payable for administrative costs subsequently made to sponsors pursuant to subsection (b) (2).

"(j) Each participating service instituiton shall, insofar as practicable, utilize in its food service under the program foods designated from time to time by the Secretary as being in abundance. The Secretary is authorized to donate to States, for distribution to participating service institutions, food available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431), or purchased under section 32 of the Act of August 24, 1935 (7 U.S.C. 613C), or section 709 of the Food and Agricultural Act of 1965 (7 U.S.C. 1446a-1). Donations by the Secretary shall be made only to participating service institutions that can utilize commodities efficiently and effectively as determined by the Secretary.

"(k) If the State educational agency of any State is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any sponsor in such State,

the Secretary shall disburse the funds directly to sponsors in such State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

"(l) Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

"(m) There are authorized to be appropriated such sums as may be necessary for the Secretary's administrative expenses under this section.

"(n) The Secretary shall pay to each State for its administrative costs incurred pursuant to this section in any fiscal year an amount equal to (1) 20 per centum of the first $50,000 in funds distributed to that State pursuant to subsection (b) in the preceding fiscal year; (2) 10 per centum of the next $50,000 in funds distributed to that State pursuant to subsection (b) in the preceding fiscal year; (3) 5 per centum of the next $100,000 in funds distributed in that State pursuant to subsection (b) in the preceding fiscal year; and (4) 2 per centum of any remaining funds distributed in that State pursuant to subsection (b) in the preceding fiscal year. Such amounts may be adjusted by the Secretary to reflect changes in the size of State programs since the preceding fiscal year. The Secretary shall

develop State staffing standards and effective dates which will insure sufficient staff and time for the planning and the administration of program operations.

"(o) A food service management company entering into a contract with a sponsor pursuant to this section may not subcontract with a single company for the total meal, with or without the milk component, or for the assembly of the meal. Any food service management company entering into a contract shall, as part of the bid procedure, provide to the sponsor information as to its meal capacity. No food service management company shall enter into a contract which will cause it to exceed its meal capacity.

"(p) States, State educational agencies, and sponsors participating in programs under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this section and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

"(q) Each State desiring to participate in the program shall notify the Secretary by November 1 of each year of its intent to administer the program the following summer; the State shall submit for approval by February 15 a man-

agement and administration plan for the program for the fiscal year, which plan shall include, but not be limited to: (1) How the State plans to use program funds and funds from within the State to the maximum extent practicable to reach needy children, including the State's methods for assessing need, its plans and timetable for informing potential sponsors (especially potential sponsors that might operate small programs and/or might prepare meals at the facilities of the sponsor) of the availability of the program; (2) the State's plans and timetable for providing technical assistance and training eligible sponsors; (3) the State's timetable for sponsor application; (4) the actions to be taken to maximize the use of meals prepared by sponsors themselves and the use of school food service facilities; (5) the State's plans for monitoring and inspecting sponsors, feeding sites, and food service management companies; (6) the State's plan and timetable for registering food service management companies; (7) the State's plan for timely and effective action against program violations; (8) the State's plan for determining the amounts of program payments to sponsors and for disbursing such payments; (9) the State's plan to insure fiscal integrity through the auditing of programs not subject to other audit requirements; and (10) the State's procedure for the granting of a hearing and prompt determination thereafter to any sponsor wishing to appeal a State ruling denying the spon-

sor's application for program participation, for advance payments, for equipment funds, or for program reimbursement.

"(r) (1) Whoever, in connection with any application, procurement, recordkeeping entry, claim for reimbursement, or other document or statement made in connection with the program, knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, or whoever, in connection with the program, knowingly makes an opportunity for any person to defraud the United States, or does or omits to do any act with intent to enable any person to defraud the United States, shall be fined no more than $10,000 or imprisoned not more than five years, or both.

"(2) Whoever being a partner, officer, director, or managing agent connected in any capacity with any partnership, association, corporation, business, or organization, either public or private which receives benefits under this Act, knowingly or willfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery, any benefits provided by this Act or any money, funds, assets, or property derived from benefits provided by this Act shall be fined not more than $10,000 or imprisoned for not more than five years, or both

(but, if the benefits, money, funds, assets, or property involved is not over $200, then the penalty shall be a fine of not more than $1,000 or imprisonment for not more than one year, or both).

"(3) If two or more persons conspire or collude to accomplish any act made unlawful under this subsection, and one or more of such persons do any act to effect the object of the conspiracy or collusion, each shall be fined not more than $10,000 or imprisoned not more than five years, or both.".

COMMODITY DISTRIBUTION PROGRAM

SEC. 3. Section 14(a) of the National School Lunch Act is revised to read as follows:

"(1) The Secretary shall use funds appropriated from the general funds of the Treasury to purchase agricultural commodities and their products of the types customarily purchased for donation under section 707(a)(4) of the Older Americans Act of 1965, as amended (42 U.S.C. 304f).

"(2) The Secretary is hereby authorized to appropriate such sums as are necessary to carry out the purposes of this section."

SPECIAL MILK PROGRAM

SEC. 4. Effective October 1, 1977, section 3 of the Child Nutrition Act of 1966 (7 U.S.C. 1772) is amended to read as follows:

"SEC. 3. There is hereby authorized to be appropriated

for the fiscal year ending June 30, 1970, and for each succeeding fiscal year, such sums as may be necessary to enable the Secretary, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this section, the term 'United States' means the fifty States, Guam, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and the District of Columbia. The Secretary shall administer the special milk program provided for by this section to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Law 89-642, as amended, during the fiscal year ending June 30, 1969. Any school or nonprofit child care institution shall receive the special milk program upon its request. Children who qualify for free lunches under guidelines set forth by the Secretary shall also be eligible for free milk, when milk is made available at times other than the periods of meal service in outlets which operate a Department of Agriculture subsidized food service program. For the fiscal year ending June 30, 1975, and for subsequent fiscal years, the minimum

rate of reimbursement for a half pint of milk served in schools and other eligible institutions shall not be less than 5 cents per half-pint served to eligible children, and such minimum rate of reimbursement shall be adjusted on an annual basis each fiscal year thereafter, beginning with the fiscal year ending June 30, 1976, to reflect changes in the series of food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent. Notwithstanding any other provision of this section, in no event shall the minimum rate of reimbursement exceed the cost to the school or institution of milk served to children.".

SCHOOL BREAKFAST PROGRAM

SEC. 5. Effective October 1, 1977, the last sentence of section 4(b) of the Child Nutrition Act of 1966 (7 U.S.C. 1773(b)) is amended to read as follows: "The Secretary shall make an additional payment of up to 45 cents for breakfasts served to children qualifying for free or reduced price meals in schools which are especially needy as determined by criteria to be established by the Secretary. The total reimbursement to especially needy schools for free and reduced price breakfasts shall be adjusted on a semiannual basis each July 1 and January 1 to the nearest one-fourth cent in accordance with changes in the series for food away from home

of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor for the most recent six-month period for which such data are available. The initial such adjustment shall reflect the change in the series for food away from home during the period July 1, 1976, to January 1, 1978.".

NONFOOD ASSISTANCE PROGRAM

SEC. 6. Effective October 1, 1977, section 5 of the Child Nutrition Act of 1966 (80 Stat. 728, as amended; 42 U.S.C. 1774 (e)) is amended as follows:

(a) By amending subsection (a) to read as follows:

"(a) There is hereby authorized to be appropriated for the fiscal year ending September 30, 1978, not to exceed $40,000,000, to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist with equipment, other than land or buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain, and expand school food service programs. In the case of a nonprofit private school, such equipment shall be for use of such school principally in connection with child feeding programs authorized in this Act and in the National School Lunch Act, as amended, and in the event

such equipment is no longer used, it may be transferred to another nonprofit private school participating in any of such programs, or, failing either of these dispositions, that part of such equipment financed with Federal funds, or the residual value thereof, shall revert to the United States. For the fiscal year ending September 30, 1979, and for each subsequent fiscal year, the Secretary shall make available an amount equal to 2 per centum of the funds utilized by the States in the previous fiscal year under sections 4 and 11 of the National School Lunch Act and section 4 of this Act for the purposes of this section.".

(b) By striking the last sentence of subsection (b) and inserting in lieu thereof the following: "Payments to any State of funds apportioned under the provisions of this subsection for any fiscal year shall be made upon condition that at least one-fourth of the cost of equipment financed under this subsection shall be borne by funds from sources within the State, except that such conditions shall not apply with respect to funds used under this section to assist schools which are especially needy, as determined by criteria to be established by each State and approved by the Secretary. States shall apportion their share of funds under this subsection by giving priority to schools without a food service program and schools without the facilities to prepare and cook hot meals.

After making funds available to such schools, the State shall make the remaining funds available to schools with a food service program and with the facilities to prepare and cook hot meals for the purpose of purchasing needed replacement equipment. For the purposes of this section, the term 'schools without the facilities to prepare and cook hot meals' means schools without the facilities both to prepare and cook hot meals at the school or at a kitchen that is operated by the local school district and that serves the school.".

(c) By amending subsection (e) to read as follows:

"(e) For the fiscal years beginning October 1, 1977, and ending September 30, 1982, 33⅓ per centum of the funds appropriated for the purposes of this section shall be reserved to the Secretary to assist schools without the facilities to prepare and cook hot meals. The Secretary shall apportion the funds so reserved among the States on the basis of the ratio of the number of children in each State enrolled in schools without a food service program and in schools without the facilities to prepare and cook hot meals to the number of children in schools without a food service program and in schools without the facilities to prepare and cook hot meals. In those States in which the Secretary administers the non-food assistance program in nonprofit private schools, the Secretary shall withhold from the funds apportioned to any

such State under this subsection an amount which bears the same ratio to such funds as the number of children enrolled in nonprofit private schools without a food service program or without the facilities to prepare and cook hot meals in such State. The funds so reserved, apportioned, and withheld shall be used by State educational agencies, or the Secretary in the case of nonprofit private schools, only to assist schools without a food service program and schools without the facilities to prepare and cook hot meals. If any State cannot so utilize all the funds apportioned to it under the provisions of this subsection, the Secretary shall make further apportionments to the remaining States for use only in assisting schools without a food service program and schools without the facilities to prepare and cook hot meals. If after such further apportionments any funds reserved under this subsection remain unused, the Secretary shall immediately apportion such funds among the States in accordance with the provisions of subsection (b) of this section to assist schools with a food service program and with the facilities to prepare and cook meals. Payment to any State of the funds provided to it under the provisions of this subsection shall be made upon the condition that at least one-fourth of the cost of equipment financed shall be borne by funds from sources within the State, except that such condition shall not apply with respect to funds used under this subsection to assist schools which are especially

needy, as determined by criteria to be established by each State and approved by the Secretary.".

(d) By adding at the end thereof a new subsection to read as follows:

"(f) Funds authorized for the purposes of this section shall be used only for facilities that enable schools to prepare and cook hot meals at the school or at a kitchen that is operated by the local school district and that serves the school, unless the school can demonstrate to the satisfaction of the State (or, in the case of nonprofit private schools in States in which the Secretary administers the nonfood assistance program in such schools, to the satisfaction of the Secretary) that an alternative method of meal preparation is necessary for the introduction or survival of the school lunch or breakfast program.".

STATE ADMINISTRATIVE EXPENSES

SEC. 7. Effective October 1, 1977, section 7 of the Child Nutrition Act of 1966 (7 U.S.C. 1776) is amended to read as follows:

"SEC. 7. (a) The Secretary shall pay to each State agency for its administrative costs incurred pursuant to the administration of this Act and the National School Lunch Act for the fiscal year 1978 an amount equal to 1 per centum, for the fiscal years 1979 and 1980 an amount equal to 1½ per centum, and for the fiscal year 1981 and each sub-

sequent fiscal year an amount equal to 2 per centum, of the funds utilized by each State agency in the second previous fiscal year under sections 4, 11, and 17 of the National School Lunch Act and under sections 3, 4, and 5 of this Act; but in no case shall the payment to any State under this section be less than $75,000 per annum nor shall any State receive less than was allocated to it for fiscal year 1977. The aforementioned per centums shall be applied only to the first $100,000,000 in funds utilized under the prescribed sections of law. For those funds utilized which exceed $100,000,000, the Secretary shall pay an amount equal to 1 per centum of such funds.

"(b) Funds paid to a State under subsection (a) may be used to pay for the salaries, including employee benefits and travel expenses, for administrative and supervisory personnel; support services; office equipment; and for staff development.

"(d) In the event that any State agrees to assume responsibility for the administration of food service programs in private nonprofit schools or child care institutions previously administered by the Department of Agriculture, an appropriate adjustment shall be made in the administrative funds paid to the State agency of such State in the succeeding fiscal year.

"(e) The State agency may use a portion of the funds

available under this section to assist in the administration of the commodity distribution programs under section 6 of the National School Lunch Act.

"(f) Each State agency shall submit to the Secretary for approval by October 1 each year an annual plan for the utilization of State administration expense funds, including a staff formula for State personnel, system level supervisory and operating personnel, and school level personnel.

"(g) Payments of funds under this section shall be made only to State agencies which agree to maintain a level of funding out of State revenues for administrative costs in connection with their administration programs carried out under this Act and the National School Lunch Act not less than the amount expended or obligated in the fiscal year prior to the enactment of the National School Lunch Act and Child Nutrition Act of 1966 Amendments Act of 1977.

"(h) There are hereby authorized to be appropriated such sums as may be necessary for the purposes of this section.".

NUTRITION EDUCATION AND TRAINING

Findings

SEC. 8. (a) The Congress finds that—

(1) the proper nutrition of the Nation's children is a matter of highest priority;

(2) the lack of understanding of the principles of

good nutrition and its relationship to health can lead to the child's rejection of certain highly nutritious foods and consequent plate waste in school food service operations;

(3) many teachers and school food service operators have not had adequate training in the fundamentals of nutrition; and

(4) there is a need for a closer relationship and coordination between information on the principles of good nutrition taught to children in the classroom and the application of these principles in the school cafeteria.

Purpose

(b) It is the purpose of this section to encourage the dissemination of sound nutrition information to children participating or eligible to participate in the school lunch and related child nutrition programs by establishing a system of grants to State educational agencies for the training of food service and educational personnel in the principles of good nutrition and development of comprehensive nutrition education programs. Such comprehensive nutrition education programs shall fully utilize as a learning laboratory the existing school lunch and child nutrition programs.

Definitions

(c) (1) For purposes of this section, the term "nutrition information and education program" means a multidisci-

plinary program by which scientifically sound information about foods and nutrients is imparted in a manner that individuals receiving such information will understand the principles of nutrition and seek to maximize their well-being through food consumption practices, both in the school lunchroom and in the community at large, consistent with optimum health. Nutrition education programs shall include, but not be limited to, the development and carrying out of institutional models, support programs, classroom materials, and curriculums.

(2) Any term used in this Act which is defined in the National School Lunch Act or Child Nutrition Act of 1966 shall, for purposes of this section, have the same meaning ascribed to such terms in such Act.

Nutrition Information and Training

(d) (1) The Secretary is authorized to formulate and carry out a program, through a system of grants to State educational agencies, to provide for (A) the nutritional training of educational and food service personnel, and (B) the conduct of nutrition education activities in schools and child care institutions eligible under the National School Lunch Act and Child Nutrition Act of 1966.

(2) Such a program is to be coordinated at the national level with other nutrition activities conducted by education and health agencies. In formulating such a program, the Sec-

retary shall solicit the advice and recommendations of the National Advisory Council on Child Nutrition, State educational agencies, the Department of Health, Education, and Welfare, representative members of the American Dietetic Association, the American Public Health Association, the American Home Economics Association, the Society for Nutrition Education, and other interested groups and individuals concerned with improvement of child nutrition.

(3) The Secretary, in carrying out the provisions of this subsection, shall make grants to State educational agencies, agricultural and mechanical colleges eligible to receive funds under the Act of August 30, 1890 (26 Stat. 419; 7 U.S.C. 321-326 and 328), and institutions of higher education for the training of teachers and school food service personnel with respect to the provision of nutrition education programs in schools. Such grants may be used by such agencies and institutions to develop and conduct training programs for early childhood, elementary, and secondary teachers and food service personnel with respect to the science of nutrition, methods and techniques, information, and current issues relating to nutrition education.

(4) The Secretary, in carrying out the provisions of this subsection, may make grants to State and local educational agencies, agricultural and mechanical colleges eligible to receive funds under the Act of August 30, 1890 (26 Stat.

419; 7 U.S.C. 321–326 and 328), institutions of higher education, and other public or private nonprofit education or research agencies, institutions, or organizations to pay the cost of pilot demonstration projects in elementary and secondary schools with respect to nutrition education. Such projects may include, but not be limited to, projects for the development, demonstration, testing, and evaluation of curriculums for use in early childhood, elementary, and secondary education programs.

Appropriations Authorized

(e) (1) For the fiscal year 1978 and subsequent fiscal years, grants to the States for the conduct of the nutrition education and information program shall be based on a rate of 50 cents for each child enrolled in schools or children in institutions within the State, except that no State shall receive an amount less than $75,000 per annum. Enrollment data used for purposes of this subsection shall be the latest available as certified by the Office of Education of the Department of Health, Education, and Welfare.

(2) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(3) In addition to the moneys otherwise available under this section, in the case of States which do not administer

programs under the National School Lunch Act or the Child Nutrition Act of 1966 in eligible private schools and child care institutions, the Secretary is authorized to withhold funds from such States for the purpose of carrying out the program authorized under this section. Such withholding shall be based on the number of children attending private schools and child care institutions in such State.

Agreements With State Agencies

(f) The Secretary is authorized to enter into agreements incorporating the express provisions of this section, with State educational agencies and develop and issue such regulations as are necessary to implement the programs authorized under this section.

Use of Funds

(g) (1) The funds made available under subsection (f) of this section may be used by State educational agencies for (A) the planning, development, and conduct of nutrition education programs and workshops for food service and education personnel; (B) coordinating and promoting nutrition information activities in local school districts, using as a learning laboratory existing child nutrition programs, including, but not limited to, the national school lunch program; (C) contracting with public and private educational institutions for the conduct of nutrition education programs relating

to the purposes of this section; and (D) related purposes, including the preparation and distribution of visual aids and other informational materials.

(2) Such funds may be used by State educational agencies for the employment of nutrition information specialists and personnel of similar qualifications, including travel and related personnel costs, to carry out the purposes of paragraph (1) of this subsection.

(3) An amount not to exceed 15 per centum of each State's grant may be used for overall administrative and supervisory purposes in connection with the program authorized under this section.

Accounts, Records, and Reports

(h) (1) State educational agencies, participating in programs under this section, shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance under this section and the regulations thereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines to be necessary.

(2) State educational agencies shall provide periodic reports on expenditures of Federal funds, program participation, program costs, and related matters, in such form as the Secretary may prescribe.

State Coordinators for Nutrition and State Plan

(i) (1) In order to be eligible for assistance under this section a State shall appoint a State coordinator for nutrition education. It shall be the responsibility of the State coordinator for each State to prepare a State plan as provided in paragraph (2) of this subsection.

(2) Within one year after the appointment of the State coordinator in any State, such State coordinator shall develop, prepare, and furnish to the Secretary a comprehensive plan for nutrition education within such State. Each such plan shall describe provisions for (A) coordinating the nutrition education program carried out with funds made available under this section with any existing related programs being carried out within the State, including, but not limited to, such programs administered by the Department of Health, Education, and Welfare, and health education and nutrition education programs carried out with State funds; (B) the establishment of a State advisory council to assist and advise the State coordinator regarding the development of nutrition education curriculums and programs for the State, and shall provide that the members of such council, which shall be appointed by the State coordinator, shall include interested teachers, professionals, paraprofessionals, school food service personnel, administrators, representatives from consumer groups, parents, and other individuals from private life; and

(C) utilizing on a priority basis the resources of the agricultural and mechanical colleges eligible to receive funds under the Act of July 2, 1862 (12 Stat. 503; 7 U.S.C. 301–305, 307, and 308), or the Act of August 30, 1890 (26 Stat. 413; 7 U.S.C. 321–326 and 328), including the Tuskegee Institute.

Resources Center

(j) (1) There is hereby established within the National Agricultural Library of the United States Department of Agriculture a Food and Nutrition Information and Education Resources Center. Such Center shall be responsible for (A) assembling and collecting food and nutrition education materials, including the results of nutrition research, training methods and procedures, and other materials related to the purposes of this section; (B) maintaining such information and materials in a library and providing for this dissemination on a regular basis to State educational agencies and other interested persons; and (C) providing original and ongoing training for the State coordinator, and for interdisciplinary personnel designed by the State coordinator who may be in need of special training relating to nutrition education.

(2) Not to exceed $1,500,000 of the funds appropriated to carry out this section shall be used for the purposes of this subsection.

Senator McGOVERN. We are especially happy to welcome you, Congressman Gephardt, we know of your interest in this field. A number of the Members of the House have testified before this committee over the years, and we are very pleased to have you here this morning. You may proceed in any way you wish.

STATEMENT OF HON. RICHARD A. GEPHARDT, REPRESENTATIVE IN CONGRESS FROM THE THIRD DISTRICT OF MISSOURI

Mr. GEPHARDT. I appreciate very much the opportunity to be here, and I am going to save you some time by simply stating very succinctly what my testimony is. You have the statement, and you can read it.*

The very simple point that I think I want to make is various school administrators have talked to me about problems that they have with the school lunch program, mainly revolving around what commodities they are receiving, when they are receiving them, and how much they are receiving. The way in which they have been receiving commodities has caused them a great deal of trouble in the way they have been able to administer their programs. I am not going to go through the list of any of the situations—you can read that in the testimony—but suffice it to say, they have experienced some serious problems in administering their programs because of the way they have received commodities.

Because of their testimony to me, and because of my personal inspection of some of their operations, I concluded that there indeed is room for improvement of the program, and indeed the GAO—as you are well aware—has said that also. And in talking to people in the Department of Agriculture that are responsible for the program, I think many of these changes are now being made to improve the way in which commodities are distributed. I think the result has been a substantial improvement in the programs.

I am interested, however, in what is happening in Kansas, which is Senator Dole's State. I think they have had a good experience there because, I guess, of a quirk in the program they have had cash instead of commodities.

Senator DOLE. It was not a quirk; it was an amendment.

Mr. GEPHARDT. I see.

[Laughter.]

Mr. GEPHARDT. A "legislative quirk."

Senator DOLE. Right.

Mr. GEPHARDT. I think that has resulted in substantial savings in that State in the administration of the program, and some would say in a better program.

I do not think we can conclude from that limited experiment that we should somehow go from commodities to cash, for a variety of reasons. One of course is that this program was born out of a need in the Department of Agriculture to do something about surplus commodities, and obviously that has to be one of the major, outstanding goals of any program in this area.

I do think, however, it would be important to add an option for school districts within States on a limited pilot basis to use cash in-

*See p. 85 for the prepared statement of Representative Gephardt.

stead of commodities, so that we could have a much better study and much better experience with cash instead of commodities, to determine whether or not it has an application in certain parts of the United States at certain times. I think it could, and I think having a pilot program of this kind could accomplish that. I, in essence, said that in the bill I presented in the House. The main elements of that bill were accepted in amendments to the bill yesterday in the House by the full committee; it is now a part of the bill in the House. I do not think it is a radical step, I think it is a reasonable one, and it could give us the kind of experience we really need to evaluate between cash and commodities.

At the same time I added language which I think makes it clear that we want the Department of Agriculture to continue in its already good efforts to improve the program, to improve the way commodities are distributed, so that the end result of the lunch program can be more successful. I think they are already doing that, and certainly we want to encourage the steps that were suggested by the GAO in their study.

That is really the essence of what I wanted to say.

Senator McGovern. Thank you very much, Congressman Gephardt. I think you are right that your proposal is not a radical one in any way, and if we are going to make any change in the existing program, that to authorize a special study such as in Kansas, would probably be the way to proceed. I would hate to say to throw out this whole commodity program.

Mr. Gephardt. I agree.

Senator McGovern. It has been valuable to American agriculture, and I think it also used the expertise of the USDA in the purchase of commodities, it does enable us to preserve the nutritional guidelines in terms of what a balanced meal ought to be.

At the same time I think you are right, there have been some abuses in the program that need to be corrected. The GAO study points up some of these abuses. It does seem to me, the part of your statement I agree with most strongly is that we do not want to throw out this whole program because of some errors in its administration, some weaknesses we recognize have to be corrected.

Are you aware of the fact that on the study of the Oklahoma-Kansas program the Oklahoma officials are questioning some of the data? They think that the criteria that was used were not accurate, and that they were able to operate a program at a slightly lower per meal cost than has been true of the State of Kansas, in spite of the remarkable competence of the Kansas program.

Mr. Gephardt. Obviously one of the factors is the lack of need to store goods. In St. Louis we have tremendous need to use local money to gain storage capacity. That does add to the cost of the program, the cost of transportation of the food, et cetera.

But I think we do need to look very closely at the Oklahoma-Kansas study, and my suggestion is that we have other pilot programs in other parts of other States, so that we could have an even better base of information to base a good, sound decision on.

Senator McGovern. I think your bill has a lot of merit, Congressman, and the members of the committee are very sympathetic with it, and will take a look at it to see if we can incorporate some of the ideas.

Senator Dole, do you have any questions?

Senator DOLE. I have no questions, just a comment. I will not be here tomorrow, but I hope in the markup of the bill there will be some provision made for a pilot program or a number of pilot programs to determine whether or not we can reduce the administrative cost and at the same time provide better and more nutritious food.

I think you point out in your statement that depending on the quantity we have of beef, peanut butter, or peanut granules, these products may make up a pretty steady diet a week at a time. This might be all right, but it might also be counter to some other things we have done. I appreciate your testimony very much.

Senator MCGOVERN. Thank you, Congressman, we appreciate your taking the time to come over and testify.

Mr. GEPHARDT. Thank you very much.

Senator MCGOVERN. Miss Martin, if you will come forward?

Miss Martin, you may proceed with your testimony. We are happy to welcome you once again to this committee.

Ms. MARTIN. Thank you, sir.

STATEMENT OF JOSEPHINE MARTIN, PRESIDENT, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, ATLANTA, GA.

Ms. MARTIN. Mr. Chairman and Senator Dole, I am Josephine Martin, administrator for the child nutrition programs for the State of Georgia. However, today I am testifying as president of the American School Food Service Association.

I would like to submit a copy of my prepared statement for the record, and I have some comments which I would like to add.*

Senator MCGOVERN. Your prepared statement will be printed in the record.

Ms. MARTIN. Thank you, sir.

ASFSA is a nonprofit organization with 65,000 members, the largest membership we have ever had. The majority of these members are directly involved in the task of preparing and serving nutritious meals to children. There is really no more dedicated or unselfish group of public service employees anywhere in the Nation.

Clearly, the Congress has been very generous in providing funds for the child nutrition programs in recent years. However, it is unfair and inaccurate to say, as some have alleged, that these funds have been used for the benefit of the school food service employees. As a practical matter, their salaries are controlled by local school boards and are hardly more than minimum wage.

Mr. Chairman, I do feel greatly honored to have the opportunity to testify today at what may be the first hearing of the newly created Subcommittee on Nutrition of the Senate Agriculture, Nutrition, and Forestry Committee. In itself, the establishment of this subcommittee marks an important recognition of the relationship between good nutrition and good health, and our national food supply. At the same time I have personal regrets that the Select Committee on Nutrition and Human Needs is being phased out at the end of this calendar year. The contributions of that committee to the understanding of the

*See p. 86 for the prepared statement of Ms. Martin.

nutritional problems within the Nation's population have been outstanding and will certainly be appreciated more and more as the years go by.

In my testimony today I wish to concentrate on three major provisions of S. 1420, with briefer comments on other parts of the bill.

First, I would like to comment on the commodity distribution program. The provision in S. 1420 to extend the Department's special commodity purchase authority, we hope, will be approved. This, in itself, will constitute a reaffirmation of congressional policy that this program, so important to supplying high quality foods to the children, should be continued without change.

We feel that before there are any changes in the program, that there should be an extensive, unbiased study of the Kansas program to look at the cost effectiveness of that program in relation to the commodity distribution program. And we also feel that any pilot program should be of long enough duration that we will be able to get all of the facts before making changes in the commodity program. We know that strong organized pressure is being brought on the Congress to give local school districts the option of accepting cash payments in lieu of some or all Government commodities. We also know there is a national effort to improve food acceptability, or cut down on plate waste in the school nutrition program.

There are a number of provisions in S. 1420 that point toward this same issue, insuring quality in our school nutrition program. We believe that the committee bill attempts to move in this direction by setting a preference in the nonfood assistance area for schools that engage in onsite preparation.

We believe it is significant that much of the criticism of waste in the program is directed at programs that purchase complete meals from outside the system; but if we are to insure quality onsite preparation, we must do more than simply direct equipment funding in this direction, we must also preserve and improve the Federal commodity donation programs. The continuing provision of commodities is the key to quality onsite preparation. The commodity program, which is today often being accused of waste—in many cases falsely—is the key to reducing waste in the future.

It is our firm conclusion that over time the "cash in lieu of commodities" option would mean the dissolution of the commodity program. In a letter dated April 26, 1977 to Congressman Carl Perkins, Secretary Bergland pointed out that the cost to the American taxpayer would increase by more than $156 million if there were no distribution outlets for price support and section 32 surplus commodities.

My second major point deals with the matter of State administrative expense funds. S. 1420 would amend section 13 of the Child Nutrition Act in order to establish an orderly system for determining the amount of Federal funds each State would receive annually for the purpose of assistance in administering and supervising the school lunch and child nutrition programs.

I wish to emphasize four major features of this amendment.

First, the amount of Federal funds involved would be extremely small in relation to the broad scope of administrative responsibilities which States have been required to assume under Federal legislation.

Many criticisms of the program have arisen because State agencies lack personnel trained to implement programs in accordance with the law. We were given responsibility and no resources to work with.

Second, the amendment would require the USDA to establish State staffing standards to assure that only qualified personnel would be employed with Federal funds. There is a Federal precedent in other health and nutrition-related programs for establishment of standards.

Third, no State would be permitted to reduce its present level of State expenditures for administration of these programs because of receipt of additional Federal funds. There is a critical need to upgrade the quality of administration of these major programs which reach into virtually every community in the Nation.

Fourth, the amendment provides for using as a base statistics that are 2 years old. With rapid program expansion in the past 2 years, the use of 2-year-old data for a base would create a financial handicap to the State.

My last point deals with section 8 of the bill, which would establish a nutrition information and education program designed to implement and increase the nutritional benefits of the school lunch and child nutrition programs.

Mr. Chairman, we have talked for a long time about the need for nutrition education without doing anything to make a start. As you have held hearings in the Senate Select Committee, one expert after another in the field of child nutrition has come before your committee to plead for help in combating the dangers of malnutrition and poor health through a nutrition education program. These views would be echoed by all 65,000 of our members.

The objective of a National School Lunch Act is twofold, to provide nutritionally adequate meals, and to help young people learn the relationship between food and health. Congress is justly concerned about food acceptability. ASFSA believes that nutrition education and information is the key to improving acceptability, rather than lowering nutritional standards. We ask for nutrition education, rather than an expansion of the offer versus served amendment. Before any expansion of this amendment there should be an evaluation of the amendment to determine the impact and effect of this on food waste.

Nutrition education is the key to accomplishing the objective of the national school lunch program.

I have been with these programs for about 20 years in various capacities, and out of this experience I ask, give the school nutrition programs a chance; give us the tools and limited funds to make a beginning toward improving the nutrition knowledge and diets of our Nation's children.

Now, as a final note I would like to express a degree of concern over certain technical provisions of section 8.

Subsection (b) of section 8 refers to grants to State educational agencies under the program. However, there are also references to grants to agricultural and mechanical colleges, as well as to State educational agencies. In my view the grants should be made to State educational agencies with authority to contract with other agencies or in situations in furtherance of the program.

I personally would like to see some of these funds going down to the local school system because that is where—I think—we will see a difference made in the nutritional habits of children.

As to other provisions of the bill I certainly would just like to make a brief comment. We support section 5, which would provide for an escalator clause on the especially needy provision of the breakfast program. Perhaps that is not needed universally at this point, but over the years our breakfast costs are going up, and we do need to have the same escalator provisions on this component of the legislation as we have on other components.

We agree with the proposed amendments to strengthen and tighten the administration of the summer food program, which is an important program.

We agree with the amendment on the nonfood assistance program which establishes an amount equal to 2 percent of the funds appropriated. However, we feel that the 33⅓ reserve provision should not be continued for more than 2 years. S. 1420 would continue the provision until the fiscal year 1982.

Section 4 of S. 1420 calls for a modification of the free milk provision of the special milk program. We certainly agree with this because we think it would make it much easier for local school administrators to administer the special milk program with this change.

Mr. Chairman, ASFSA appreciates the privilege of testifying before your subcommittee. This concludes my testimony, and I will be glad to answer any questions.

Senator McGovern. Thank you, Miss Martin.

As you know, many of the problems associated with the commodity distribution program would seem to be associated with the fact that past administrations have wanted to phase out that program, and therefore have not had a full commitment to making it work well. The new administration has said that it wants that program continued, and has given some indication that carries with it a commitment to make it work better.

Do you think some of the weaknesses of the program in the past now stand a better chance of being eliminated by an administration that seems to want to continue the program and make it work?

Ms. Martin. Indeed, I do, Senator. I also believe that the GAO report contains some very practical suggestions which in my judgment the Department of Agriculture will take into consideration, and has already taken into consideration in improving the program.

Senator McGovern. Could you illustrate, just by way of your own State, how the new formula on State administrative expenses will enable the program to work more effectively?

Ms. Martin. Yes, indeed. This would provide additional funds for us in the area of administration. It will provide sufficient funds for us to have better coverage in order to carry out the program of helping local systems plan for and evaluate the program, and develop standards.

The part that represents a significant change from all other legislation is that which requires State educational systems to establish standards for personnel. In the past the (SAE) money has been made

available to State educational agencies without any specific guidance as to the kind of personnel, or the need for establishing staffing standards or qualifications for personnel. In my judgment this one provision will go far toward eliminating plate waste, and increasing the quality and acceptability of food, as well as improving the fiscal effectiveness of the funds that are provided for food to State agencies.

Senator McGovern. The legislation that we are going to be marking up very soon in this subcommittee will include a section on nutrition education. With your long experience in the school lunch field, how do you see that component contributing to improve the program?

Ms. Martin. Senator, in my judgment this is a basic component of the school nutrition program. I would like to see us move away from talking about school lunch and nutrition education, of summer care and child care. I wish we could see this as a total program of child nutrition. The American Dietetic Association has said that a model child nutrition program should have four components. First, assessment and counseling; second, a delivery system; third, nutrition education for children; and fourth, parent education.

If we could have this provision of S. 1420 nutrition education and information implemented the third component of total child nutrition programs would be added. Nutrition education should be a part of a coordinated school nutrition program, rather than a fragment which is not related. I think this addition would help to improve the health habits of the young people we serve with school meals.

Senator McGovern. Thank you, Miss Martin. Senator Dole?

Senator Dole. Well, I think I understand your statement to say that you want to keep the commodity program; but that you also do not object to an objective study on cash in lieu of commodities.

Ms. Martin. Senator Dole, it would seem to me that we very much need to have a very comprehensive study of the Kansas program.

Senator Dole. Not just because it happens to be Kansas, but it seems to me if it does work and is less expensive, then we ought to take a hard look at it. But to keep the commodity program because we have had the commodity program is the same argument that can be used in the food stamp program.

Ms. Martin. That is correct.

Senator Dole. We phased out commodities in the food stamp program for a number of good reasons, even though the present program is costly. So, I would hope—and I do not find anything in your statement to indicate otherwise—that we can take a hard look at it and then make a determination.

Ms. Martin. We would really like to have a very hard look taken at the program that is in operation now.

Senator Dole. What about those who are in charge, are the cafeteria personnel well trained in nutrition? How would you describe their ability to serve nutritious, high quality and well merchandised meals?

Ms. Martin. Senator Dole, the qualifications of the school food service personnel are left generally to the local school boards. In many instances we have very highly qualified school food service managers and school food service personnel. But there is no requirement that qualifications be established. We have the most dedicated group, but we know that if we are going to have quality food, we must have a component in addition to dedication, and that is expertise in the area.

This legislation will require the States to establish standards for all personnel. The American School Food Service Association has a certification program for its members, which is a volunteer program, which includes a continuing education component and leads to improved expertise of the food service personnel. Only about a third of our members are participating at this time in certification. So, we do need to continue to work to upgrade the qualification of the school food service personnel, not only at the local school level, but at the school district level and State level.

Senator DOLE. So, there is a lot to be done in that area. My bill assumes everybody is well trained, and that is not the case.

Ms. MARTIN. That is not the case. We very much need to have training. I was really interested in the provision in the farm bill that would have provided some funds for land-grant colleges, I believe. We hope to get the land-grant colleges involved in programs for training people in the child nutrition area.

Senator DOLE. Do you have any other suggestions that have not been touched on, or have not been addressed in the proposed legislation on how to end some of the abuses and some of the waste? There is waste—we cannot just ignore all of the stories that are coming to us. What about "junk food," would you eliminate junk food from schools?

Ms. MARTIN. Oh, Senator Dole, to me that is the one gap that is missing in this legislation. If we had nutrition education, a cadre of qualified personnel provided through State staffing; and if we had a restriction on the sale of food in competition with nutritious meals, in my judgment, we would have a completely different program. We could eliminate or reduce plate waste.

Senator DOLE. Is that not the primary reason that there is a lot of waste since students can fill up on potato chips—and I do not fault potato chips, I sort of like them in fact—and everything they can get out of the machines, and then they are not hungry.

Ms. MARTIN. That is correct. We sometimes talk about junk food as being "empty calorie" food, but I have seen a perfectly nutritious food offered in competition with a nutritionally adequate meal become competitive when a child may choose between such items as flavored milk, or yogurt, or even ice cream, and vegetables, the child oftentimes opts for the sweet food as opposed to the fruits and vegetables which are offered. So, I think the need is to control the sale of food in competition with nutritionally adequate meals, as opposed to just junk food. If there could be a restriction of the sales of foods in competition with nutritionally adequate meals, that would certainly be a real plus to this bill and provide an important dimension to nutrition program.

Senator DOLE. Senator Case has a bill which I cosponsored.

It would give the Secretary authority to do that. I think if we replaced the regular snacks with nutritional snacks, maybe nobody would know the difference, and they would buy the nutritional snacks.

Ms. MARTIN. That would be very good if we could have legislation that would, you know, require the school systems to include only nutritious snacks. I was told only yesterday of a school district in Georgia that for a long time had a restriction against snack items. They have a new administration; and he has opened the campus and allowed the principals to start school stores. This school district has

approximately 70 percent economically needy children. I was told that the economically needy children are buying the snacks—they are being given the meals. So, you know what happens to food waste in that system.

I am concerned about food waste, but I am more concerned about what the children are eating.

Senator DOLE. That is the other half of it—or maybe it is more than half of it.

Ms. MARTIN. Yes.

Senator DOLE. There have been some—and I have seen a couple myself—TV news items, where the school administrators have done it on their own, and it is met with some resistance. You ought to have the freedom of choice on what you eat, but, I think the idea has some merit. I know Senator Leahy is very interested in this, and has done a lot of work up in Vermont on it.

Senator LEAHY. Very much so. Senator Dole, Senator McGovern and I have discussed it quite a bit. I know it is a matter of a great deal of concern.

Mr. Chairman, I have town meetings every couple of weeks up in Vermont, and invariably one question asked in the question-and-answer period is about the quality of school lunch food. An 11-year-old student up there did a research paper that is phenomenal. I think she is helped by being a genius. It is amazing the reaction from kids, parents, everybody else, there is an enormous amount of concern in this whole area.

Ms. MARTIN. Well, certainly, when children have an opportunity to select the nonnutritious foods, or the empty calorie foods and eat those just prior to the time they have their school meals, or in competition with their school meals, we are going to have more plate waste and lower participation. That is a real concern of the American School Food Service Association.

Senator LEAHY. Having three children in grade school, it concerns me a great deal.

Senator MCGOVERN. Senator Melcher, do you have any questions?

Senator MELCHER. No questions, and no comments.

Senator MCGOVERN. Thank you, Miss Martin, we appreciate your testimony.

Ms. MARTIN. Thank you very much.

Senator DOLE. See you next year.

Ms. MARTIN. I will be back.

Senator MCGOVERN. Our next witness is Miss Helen Ullrich, executive director for the Society of Nutrition Education. Miss Ullrich, we appreciate your counsel in helping with the legislation before the committee. I am sorry we are under time constraints today, but, if you can summarize, give us the high points of your statement, we will have a couple of questions.

STATEMENT OF HELEN ULLRICH, EXECUTIVE DIRECTOR, SOCIETY OF NUTRITION EDUCATION, BERKELEY, CALIF.

Ms. ULLRICH. I certainly will. I did prepare a statement,* but I have a summary, which I would like to read.

*See p. 88 for the prepared statement of Ms. Ullrich.

First of all, I really would like to commend you Senator McGovern, on the introductory statements relating to the bill, and in particular, the cost benefits resulting from nutrition information and education programs which would reduce the incidence of disease relating to the diets people choose.

Additionally there is presently some research investigating if there is a dietary relationship to mental development and hyperactivity in school-aged children. But I think whatever the results of this research might show, the fact still remains that malnourished children do not grow to their physical and mental potentials.

These facts indicate that besides having food available, learning good food habits at an early age is very crucial. In a recent study on school lunches in Chicago which you may have read in the newspapers, it was found that children left on their plates food containing half the calories served even when the total calories of the meal were not high. In some of the pilot project work going on in California it shows that two-thirds of the food that is left on the plates are the fruits and vegetables. These are the very foods we are talking about as being nutritious, they contain vitamins A and C, and even the fibers, for that matter, that are so often lacking in American diets. So, it becomes very clear that children, at as early an age as possible, are in need of a nutrition education program.

We have had pilot studies that show that nutrition education will make a difference. For example, one project has shown that plate waste was reduced by 18 percent. Now, if it costs $1 billion of the $3 billion spent on the school lunch program for the food, and one-fourth of that was left uneaten, the result would be $250 million in the garbage pail. If that could be reduced by, say, 15 percent through an education program, the savings at least would be something like $37 million from education.

Considering the proposed dietary goals for the United States, this report points up the fact that some segments of our population, if they are left to choose food without sufficient knowledge, and guided really only by advertising, choose food that is not in the best interest of their health. So, therefore there is a need for vigorous education programs for all segments of the population, to learn a good diet.

Nutrition education is more than just telling people that they ought to follow the dietary goals. In other words, it is more than just providing the nutrition information, and even the motivation; it is the total support system; I think that is what Josephine was speaking to as well. The support system of the parents, the teachers, and the food providers, which includes the school lunch workers.

Also, it is impossible to legislate what our children will or will not eat. Each person makes their own choice within a multitude of factors. We can only provide the best resources and the knowledge of how to choose, and a basis on which to make these choices. I think this bill is a means by which nutrition education can be effectively implemented in the classrooms of the Nation.

First, the bill provides for nutrition education coordinators in every State, and I would hope that we might put into that section, that these coordinators would be trained in nutrition and education. Unfortunately there are not many States that have this kind of nutrition education coordinators. In fact, we did a survey a couple of years ago

and found only 10 States—Massachusetts is an excellent example of what can be accomplished with a State staff of this kind of coordinator.

Senator McGOVERN. Do we have the personnel to do that, Mrs. Ullrich, are there people knowledgeable enough in the nutrition education field to really run the program authorized by this bill?

Ms. ULLRICH. I feel that there are people that have this kind of training. As a matter of fact, we have people contacting us on a constant basis trying to find positions who have this kind of a training. I would say that this kind of a person should probably have a master's degree in either nutrition, or if they have nutrition already, they need some additional education specialization.

Senator McGOVERN. I take it from what you have said, you think that any cost involved in employing good nutrition education program personnel would be more than offset in the eventual savings in waste.

Ms. ULLRICH. That is what I am saying. I think there is a need for this coordinator because there are many fragmented pieces of nutrition education going on right now. There should be a coordination of the work that is being done. For instance, there are Dairy Council nutrition educators and extension personnel in many States that are carrying on workshops for teachers—and these are good programs—but I think it could be coordinated in some way. Also, there is a need for preservice or inservice training.

I think one good example is Penn State University, where they have three types of programs. They are going out to the school districts and are training persons for what is called the nutrition educators in leadership roles in the school districts, then these trained leaders in turn train teachers. They have a summer program where teachers can come in and get a basic course in nutrition, and then a course additionally in how to teach nutrition.

They have been instrumental in developing the nutrition requirement in some other kinds of specialities. Early childhood education requires a course in nutrition. The curriculums for science and the elementary teacher education has nutrition as a recommended course. Then, in addition, they have a physical education option, a one-unit course in nutrition. They have 1,200 attending that course. There is a lot of interest.

So, if moneys can be available for the land-grant colleges for training programs—they are already there, and the pilot programs are in place. There are enough people who can do the training.

We also, of course, have to have adequate kinds of materials. There are great variations in the teachers and in the students, and the kinds of programs that might go on. I brought two examples of teaching materials because I think we tend to think, in stereotypes—one is a comic book that was developed by New York Extension Service. We wrote an article about it in our Journal of Nutrition Education, of which I am the editor.

The other piece is a poster, and if you are Spanish-speaking, the Spanish title can be used. But these kinds of materials and these kinds of creative people are there and already demonstrating what could be done.

Now, the other thing, of course, in your bill, is the request for funds for resource centers. I would hope that eventually there would be

more than one resource center. It does indicate an increase in funds for the food and Nutrition Information Center at the National Agricultural Library, but these centers should be where materials are available for those who want to work in nutritional education. We also need to include evaluation of teaching materials because we are all very familiar with the fact that there are many kinds of good and bad materials available on nutrition. So, we would hope that maybe eventually there might be several resource centers, and preferably wherever there are some training centers as well.

But I would say in conclusion that there are various studies, and surveys, and conferences, and meetings that have already shown the potential for effective nutrition education. In many cases the facilities are in place, the technical expertise is available, and there certainly is interest. As one example, I talked with a person who is with Cooperative Extension, a nutritionist who holds workshops for elementary teachers and for what they call the noontime school supervisors. These people come out to workshops on a Saturday. There are 500 at a time that come to these meetings. Our biggest problem is that there are not enough funds to operate the programs.

So, we feel that when children have access to information and are motivated to be concerned about food habits, plate waste is reduced; the children are healthier and better able to learn and we are laying a foundation for health in later years. Of course these are our goals, and these are the reasons why we think that nutrition education programs in the schools are very important. So, it should be a part of a total school feeding program.

Senator McGovern. Thank you very much, Miss Ullrich. We appreciate your counsel here this morning.

Senator Dole?

Senator Dole. I have no questions other than, do you have any suggestions that we have not touched on in the bill, that you feel are important?

Ms. Ullrich. I feel that the bill is certainly a very good first step to a nutrition education component in a child nutrition bill. It is one of the things that has been asked for by many groups.

Senator Dole. Do you have the same attitude toward the so-called junk foods?

Ms. Ullrich. Well, I think that one of the things we need to do is to help educate the children in choice making, and also educate the children in the value of food to their health, what they value, what is important to them. I think the food in the schools should be the kind of food that we want to provide for children.

Senator Dole. Is it that way now?

Ms. Ullrich. No; not necessarily. In some schools junk foods are provided, and I think they should not be in a school.

Senator Dole. Is that a good source of revenue to the school. Is that one reason for resisting?

Ms. Ullrich. It is the biggest, probably. I saw a full page ad in Instructor magazine, a magazine for teachers—and I will not name the candy company—advertising that there is a large percent profit if you provided candy for sale. To me the incongruous fact is that the money is used to buy athletic equipment; and here we are trying to

help the health of our children by selling food which is inadequate in helping them physically.

Senator DOLE. I think you are right, you cannot legislate what people eat, but you can limit the choices.

Ms. ULLRICH. That is right; you limit the choice of what they can get within that boundary.

Senator DOLE. Then there will be some bad choices, and some good choices.

Ms. ULLRICH. Yes.

Senator MCGOVERN. Senator Melcher?

Senator MELCHER. Well, Ms. Ullrich, I notice—and I was not here when the gentleman testified—he was talking about one week in St. Louis when they had five different meals at the school lunch program, all containing hamburger, spaghetti, chili. Is anything wrong with that, nutritionally?

Ms. ULLRICH. There is nothing wrong with having hamburger five different ways. There may be five different preferences.

Senator MELCHER. As I recall, that was almost continuously our five children's favorite food.

Ms. ULLRICH. One of the things that might be unfortunate, if those were the only combinations ever served to the children, that they did not have opportunity to learn what other kinds of choices there are or new foods that are available to them.

Senator MELCHER. Do you see anything in this legislation that will help on the quality of the cooks that prepare the food?

Ms. ULLRICH. That is one of the very important things. There needs to be a component of the nutrition education also, for the school food service workers; I did have that in mind.

Senator MELCHER. It goes right to the problem of having a cook that provides tasty food.

Ms. ULLRICH. That is right. That is equally as important as the education.

Senator MCGOVERN. That is also covered in the legislation.

Senator MELCHER. I hope so. If we are going to get rid of plate waste, we had better first of all have cooks who can prepare a good meal. We all have been through the service where you grab somebody and make a cook out of him in 3 months, or less.

Senator DOLE. At 3 months he was pretty good.

Senator MELCHER. Sometimes it worked out all right, but I would like to see the schools pay more attention to whom they hire as cooks.

Ms. ULLRICH. Well, when we talk about two-thirds of the fruits and vegetables being wasted, it may well be the way the fruits and vegetables are being served. But it also is important to develop information and motivational programs to help the children to want those fruits and vegetables.

Senator MELCHER. That is all I have, thank you.

Senator MCGOVERN. Senator Leahy?

Senator LEAHY. No; nothing, Mr. Chairman.

Senator MCGOVERN. Thank you, Ms. Ullrich, we appreciate your testimony.

Ms. ULLRICH. I am pleased to be here.

Senator McGovern. Jean White, president-elect of the American School Food Service Association and State director, child nutrition programs, department of education, from Sacramento, Calf.

Miss White, we welcome you to the committee.

STATEMENT OF JEAN WHITE, PRESIDENT-ELECT, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, SACRAMENTO, CALIF.

Ms. White. Mr. Chairman and members of the committee, I am Jean White, director of the bureau of child nutrition programs of the California Department of Education; I am also president-elect of the American School Food Service Association. I greatly appreciate the opportunity to speak in support of the provisions in S. 1420 related to the summer food service program, and the especially needy breakfast program.

Let me first report that the summer food service program in California is being effectively used to meet the needs of children. We are committed to making this a successful program. Dramatic program growth is anticipated again this year, and we are supplementing Federal regulations with significant State controls as well. We believe this is an important, necessary program for the health and well-being of needy children, and we ask that it be continued.

The summer food service program has encountered very serious problems in recent years. There is no question that there have been abuses. We have experienced overordering meals, poor quality food, and questionable business relationships between sponsors and vendors. Last summer, when our State program doubled in size, the problems became especially severe.

However, in spite of these concerns, it is important to point out that only 10 sponsors of the 171 participating in the 1976 program in California experienced major problems. Many sponsors operated good programs, and in so doing, provided an important service for needy children as intended by the Congress.

The summer food service program is a fast moving, highly volatile, extremely difficult program to administer. Due to the compacted time, the large volume of meals served, and the involvement of community action groups which frequently lack training and expertise in food service operation and management, the program is vulnerable to misuse and problems which may not be identified until the program is well underway, or over.

So, the question presents itself: Is it possible to sucessfully administer the summer food service program? We believe it can be done. Tighter legislated controls, particularly in the area of sponsor-vendor relationships are needed. State agencies must be given specific and broad authority for all aspects of program administration. Schools need encouragement and incentive to participate as either sponsors or vendors. We have found that when schools operate the program, it is essentially problem free. Personnel standards, staffing requirements, and food quality must all receive high priority if program goals are to be achieved.

The major problems experienced in California, as in other States of the Nation, would be relieved through the provisions of S. 1420.

Let me address a few key issues that are involved in the committee legislation.

(1) The date of regulations. Under existing time lines, it is virtually impossible to effectively implement USDA regulations released each year. By moving up the release date as you proposed—to November 1 for proposed regulations, January 1 for final regulations, and February 1 for guidelines, sufficient leadtime would be provided the State agency for development and implementation of polices, procedures, and communications so necessary for successful administration. This year we were, of necessity, preparing State procedures and guidelines for the 1977 program long before final regulations were released in March. As a result, it has been necessary to amend procedures to be consistent with the final regulations issued and this has been costly in terms of both time and efficiency.

(2) Another important piece of your legislation is the 5-year program authority. Continuation of the program for a 5-year period would provide the stability and continuity so necessary for effective budgeting, long-range planning, and the development of program standards consistent with those in other child nutrition programs. Our State agency recently employed six permanent staff members for the summer program and had no assurance that the program would be extended beyond September 30. This, of course, has made recruitment and training very difficult, and has resulted in frequent turnover of employees with resulting negative impact on the program. There has been no continuity.

(3) Another important point concerns vendor registration. Under existing procedures, it is difficult if not impossible to identify all vendors and to quickly and accurately obtain information on their administrative and financial capabilities. Vendor registration with the State agency is a positive remedial control. However, this poses major additional responsibilities for the State agency, and this, then, would imply that adequate administrative funding must also be provided. California estimates that at least one full-time position would be required to maintain only registration information on vendors registered. If, as a result of vendor registration, the State agency then were to assume the responsibility of checking the vendors' financial and management capabilities, and then to also review their past performance, this would require additional personnel and additional assistance.

(4) Another important point of the legislation concerns meal requirements. The quality of meals is of major concern from the standpoint of nutritional content, acceptability, sanitation and waste. Requiring States to prescribe model meal specifications and insuring that all vendor contracts contain approved menu cycles and food quality and safety standards, is essential. As a further safeguard, consideration should be given to requiring USDA plant inspection and onsite monitoring of the preparation of vended meals. This Federal inspection/certification process will be essential for quality and safety control at the production level. It would also assure that all prepackaged meals produced at these plants met quality and portion size requirements, and would thereby be eligible for funding. At the present time, it is virtually impossible to adequately monitor the adequacy of meals in terms of minimum USDA standards after they are received at serving sites—we have found that very difficult.

(5) The last point on which I would like to comment is the State administrative expense funding for the summer program. The allocation procedures for State administrative expense funding remains an item of concern. It is essential that State agencies be assured an adequate level of funding to provide the necessary staff and services to effectively administer the program. Under current regulations, if the State agency is conservative in its program estimates, and if significant program growth occurs, it is difficult to acquire necessary authorization at the State level to quickly expand administrative capability to monitor programs adequately. Conversely, if a State agency overestimates and staffs accordingly, funding in subsequent fiscal years may be reduced. We believe that a funding procedure should be established whereby States, which have acted in good faith, would be exempt from a payback requirement if they have overestimated their participation.

The summer food service program, in spite of its recognized problems, presents challenge and opportunity for meeting the nutritional needs of needy children. We believe the program is well worth the effort and that the provisions of S. 1420 will significantly reduce the administrative problems without harming sponsors, vendors, or the child.

Now, regarding the especially needy breakfast program, like the summer food service program, is designed to meet specific nutritional needs of needy children. Through this program, increased funds are allocated to schools in which a high percentage of these breakfasts, which have a protein requirement, are served. The cost of providing the especially needy breakfast is of concern.

For example, California has experienced a 26-percent increase in the breakfast program participation this past year. Seventy-two percent of these breakfasts fall in the category of "especially needy." The average statewide cost of preparing and serving a basic breakfast is 49 cents, which already exceeds the existing reimbursement rates; and of course, there would be added costs for the "especially needy" breakfasts because of this protein requirement. As a result of current inadequate funding, many schools are reluctant to participate in the breakfast program, and particularly in the especially needy program. Adding cost-of-living increases to the especially needy reimbursement rate will assist, but not totally correct the funding deficiencies.

In California, especially needy breakfasts are required to provide a minimum of 1 ounce of protein daily. This further increases the nonreimbursed cost to the school district and is a deterrent to program expansion.

Recognizing the importance of a nutritionally adequate breakfast to the needy child, we believe that 1 ounce of protein daily should become a Federal requirement and that schools should be adequately reimbursed for this added cost.

The school breakfast program is making an important contribution to the health and well-being of needy children. It is one of our most promising child nutrition programs. We believe more adequate funding will significantly increase sponsor participation and thereby extend this important program to additional needy children.

I would like to say, Mr. Chairman, that California greatly appreciates your continued effort to provide legislation for our child nutrition and nutrition education program.

91-647—77——5

Regarding the nutrition education section, we strongly support what you are doing. By way of comment, we did notice that the program would be formulated by the Secretary upon the advice and recommendations of several professional associations. And we noticed that they did not include the American School Food Service Association——

Senator McGovern. That was an oversight and will be corrected.

Ms. White. I think Ms. Martin, myself, and our 65,000 members would be honored to be a part of that.

Seator McGovern. It should have been there, and I cannot explain why we overlooked it.

Ms. White. We would like to again—I would like to—stress our sincere appreciation for this opportunity to speak before your committee.

Senator McGovern. Thank you very much, Ms. White. It was a very comprehensive statement and did anticipate some questions I did have. I do want to ask you one question about the summer food program, since that came under serious attack because of the fraud and abuses that were exposed some months ago. Is it your view that the reforms made in the summer program in the bill now pending, can be carried out in such a way as to end the abuses and fraud without damaging those many aspects of the program where it has been operated honestly, and operated effectively?

In other words, I want to see us correct the abuses, but I do not want to see us make it so restrictive that we destroy other aspects of the program which have been very effective, and I am wondering if you could address yourself to that concern.

Ms. White. In my judgment the controls you are putting into the legislation are appropriate. I personally do not see any way that they would restrict unnecessarily the activity at the sponsor level, or the vendor level; I see no effect there that would be damaging. By way of our experience, let me simply say that we are trying to control much like your legislation here. We are 6 months into that and find that it has not been a deterrent, in fact, our program has almost doubled in size, in spite of those controls. So, I do not feel it would be a deterrent to the program at all.

Senator McGovern. Senator Dole?

Senator Dole. I thank you very much for your testimony. I have no questions.

Senator McGovern. Senator Melcher?

Senator Melcher. I am interested in this recommendation you have for 1 ounce of protein in the breakfast program. Tell me, what is 1 ounce of protein?

Ms. White. It would be one egg. You mean in actual food?

Senator Melcher. Yes.

Ms. White. It could be one egg; it could be a small piece of cheese; it could be a small meat patty.

Senator Melcher. I mean, how do you relate to 1 ounce of protein?

Ms. White. What we are talking about is a 1-ounce serving of a protein-rich food.

Senator Melcher. All right. It is not a big serving.

Ms. White. No, it is not; it is a very small serving.

Senator MELCHER. It would be a very small patty.

Ms. WHITE. Yes, a very small patty. It would probably be an egg item, or there could be a small meat stick, something like that. It would be 1 ounce of protein-rich food.

Senator MELCHER. Well, in your recommendation for "protein", that seems to me to be rather broad.

Ms. WHITE. Protein-rich food.

Senator MELCHER. Well, there are so many different proteins.

Ms. WHITE. All right. In the child nutrition program we have lists of foods that are acceptable and are standard. So, we would be referring to those foods which are approved by the USDA.

Senator MELCHER. Well, do they look at the amino acids that are involved in these proteins and select the amino acids that are best nutritionally?

Ms. WHITE. I am assuming so. The USDA has a standard of nutrition and prepares these guidelines for the States to use.

Senator MELCHER. I will look at that. I like your recommendation. It seems to me for 49 cents, that is what the breakfast costs, we ought to be able to put enough pennies with it for a least 1 ounce of protein, whether it is an egg, or whatever it is.

Ms. White. We feel it is important to further increase nutrient content of the breakfast.

Senator MELCHER. The 49 cents, without an egg or something like that with it, is spending quite a bit for not very much. So I will look at that, and will be sympathetic when we consider this bill. Thank you very much.

Senator MCGOVERN. Thank you, Miss White, for your testimony. I want to thank all the witnesses for helping us out on the time constraint.

Senator Dole?

Senator DOLE. Senator Griffin asked if Mr. Grant could take about 1 minute to file a statement, if it is satisfactory to the committee. I could stay, if you need to go.

I would suggest that our staff get together with the Department and maybe iron out any differences, to expedite the mark-up tomorrow.

Senator MCGOVERN. All right, we will do that; and we will meet again at 10 o'clock.

Senator DOLE. I will not be here, but I will leave my proxy.

Senator MCGOVERN. We are going to have the administration witnesses tomorrow, and hopefully then move into the markup. In the meanwhile, if the staff could get together to work out some of the problems, it would expedite it.

Mr. Grant, I have to preside over another luncheon. If you could come up here, I would ask Senator Dole to accept your testimony.

STATEMENT OF ROBERT W. GRANT, JR., CHAIRMAN OF THE BOARD, GRANT GROCER CO., SAGINAW, MICH.

Mr. GRANT. Thank you very much. I am sure I will not be over 1 minute; I appreciate being worked in.

I am Robert W. Grant, Jr., of Saginaw, Mich., the chairman of the board of the Grant Grocer Co., who has been involved in food service distribution in the State of Michigan for some 40 years, over 25 years

in institutional foods only, including food service commodities and allied items to schools, and other types of food service operations.

My interest has been that of a businessman catering to the school food service program, and also in fact that I served for 12 years on the Saginaw board of education.

I have prepared a 6-page statement* and submitted it to the subcommittee today, and I would simply wind it up by saying that we are hopeful that a type of program can be enacted for pilot studies to continue the measuring of the commodity usage versus cash, in lieu of, part of, whatever it might be.

I would pledge my personal cooperation and that of the National Frozen Food Association, where I serve as a member of the Government Affairs Committee. In working with any of these studies we would be cooperative in providing any information we have from Dr. Erickson, whom we paid for conducting the Kansas State study; bring him to Washington to work with anyone so interested. Also in furnishing names of States and school districts which we know are interested in the program.

We want to help in every way and pledge our support to the concept and objectives of the national school lunch, and other feeding programs, including the nutritional feeding of children and certainly support our farm support programs.

Thank you very much.

Senator DOLE [presiding]. I read the entire statement, and it will be made a part of the record.

I do not think there is any quarrel with trying to find out the best possible program, to see where we can save administrative costs, and whether or not the most nutritious food is made available to those children. I should think within 2 years' time we should make that determination, whether it is by a further examination of the Kansas program, or expanded pilot studies in some of the areas you recommended, or maybe others. I would think that would give us enough time.

Mr. GRANT. I think so.

Senator DOLE. I think that would give us enough time to be very objective and totally candid.

Mr. GRANT. Of what is happening, and what could happen.

Senator DOLE. So, I thank you very much.

Mr. GRANT. Thank you. I appreciate your working me in.

Senator DOLE. Senator Melcher?

Senator MELCHER. I have no questions.

Senator DOLE. The hearing is recessed until 10 o'clock tomorrow morning.

[Whereupon, at 12:25 p.m., the subcommittee recessed, to reconvene at 10 a.m., Friday, May 6, 1977.]

*See p. 91 for the prepared statement of Mr. Grant.

CHILD NUTRITION LEGISLATION

FRIDAY, MAY 6, 1977

U.S. SENATE,
SUBCOMMITTEE ON NUTRITION OF THE
COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,
Washington, D.C.

The subcommittee met, pursuant to recess, at 10:10 a.m., in room 322, Russell Senate Office Building, Hon. George McGovern (chairman of the subcommittee) presiding.

Present: Senators McGovern and Melcher.

Senator MCGOVERN. We have the administration representatives with us today in the hearings on the child nutrition program that began yesterday. Representing the administration is the Assistant Secretary for Food and Consumer Services, Carol Tucker Foreman. She is accompanied by Robert Greenstein, Special Assistant to the Secretary of Agriculture. After you introduce your other associates Mrs. Foreman, we will be glad to hear your testimony.

STATEMENT OF HON. CAROL TUCKER FOREMAN, ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES, USDA; ACCOMPANIED BY LEWIS STRAUS, ADMINISTRATOR, FOOD AND NUTRITION SERVICE; ROBERT GREENSTEIN, SPECIAL ASSISTANT TO THE SECRETARY; JUAN DEL CASTILLO, DIRECTOR, FOOD DISTRIBUTION DIVISION, FNS; WILLIAM E. BOLING, MANAGER, CHILD NUTRITION DIVISION; AND MARGARET GLAVEN, MANAGER, SCHOOL NUTRITION PROGRAMS BRANCH

Mrs. FOREMAN. I am delighted to introduce my other associate because this is Lewis Straus who is the new—brandnew, it was just announced yesterday—Administrator of the Food and Nutrition Service who, of course, has responsibility for the administration of the programs that we are talking about.

I would not like for it to go unnoticed that this is my first appearance before the Subcommittee on Nutrition, Senator McGovern; and I would not like it to go unnoticed how important we think is the change in the name of the Senate Agriculture, Nutrition, and Forestry Committee. I think it reflects an enormously growing concern on the part of the American public with the quality of food and with nutrition issues; and certainly nobody has been more responsible for that growing concern than you have been.

The history of the Special Nutrition Committee has been very important, and I am emphasizing and fostering the concerns that we

are here about today. I think now, that it has become a part of the regular committee structure of the Senate the Nutrition Subcommittee should be even more effective than the Special Committee on Nutrition was, and we are looking forward to working with you. It is clear that Secretary Bergland and the President both share your concern with nutrition, and we will try to reflect it throughout the Department of Agriculture.

Senator McGovern. That is very reassuring, Mrs. Foreman. As you know, I opposed the termination of the select committee because I was fearful that we would not be able to maintain the same momentum and the same national focus on nutritional concerns if we were simply a Subcommittee of the Agriculture Committee. But, as you properly pointed out, if the change in name of this committee to Agriculture, Nutrition, and Forestry really carries with it a substantive shift in the overall focus of this committee, where we give the attention to nutrition that it deserves, then I think it may very well be that the new reorganization mode can open up some new opportunities.

I intend to work very hard to see that nutrition interests are not lost, and I am glad to have your assurance that the Department feels the same way.

Mrs. Foreman. We look forward to working with all the members of the subcommittee on this.

I have a fairly lengthy statement, and I would like to not read all of it, put all of it in the record.*

Senator McGovern. The whole statement will appear in the record, and you can highlight it, or proceed in any way you will.

Mrs. Foreman. We are here, of course, to discuss the summer food service program for children and several of our other child nutrition programs. The summer food program has encountered some serious problems in recent years and there is no question that there have been some abuses. Since we have come to the Department we have been hard at work on this matter and on March 1, we published regulations that represent a significant overhaul of the summer feeding program.

The new regulations are specifically designed to tighten program administration and minimize the problems we encountered last summer.

The new regulations provide much stricter control over approvals of sponsors, and over the operation and monitoring of the summer program at all levels. The new regulations, we believe, will make a substantial difference. However, I do not think that they are sufficient to resolve all of the issues regarding the program, we need some legislative changes. We would therefore like to present to the committee the administration's proposals for a number of legislative alterations in the summer feeding program, and for extension of the program through fiscal year 1978. The changes we are proposing are designed to tighten up this program.

There are two reasons why we are suggesting only a 1-year extension at this time. First, we would like to study very carefully this summer's program in order to ascertain the impact of our new regulations and to determine what further changes beyond those we will be discussing here today may be needed. In addition, we plan to under-

*See p. 94 for the prepared statement of Mrs. Foreman.

take a review of all of our child nutrition programs, and to develop the Carter administration's strategy for the direction the child nutrition area should take.

Based on the results of our study of this summer's program, and our review of the child nutrition area in general, we will develop legislative proposals for presentation to the Congress next year. These proposals will be aimed at the fiscal 1979 budget year, and succeeding years.

The proposals we submit for your consideration today include the following revisons and clarifications in section 13 of the National School Lunch Act:

(1) An incorporation directly into law of the provisions of the new regulations barring sponsors who were seriously deficient in prior program operations, or who cannot demonstrate adequate administrative and financial responsibility. We would also write into the law the new regulation barring sponsors who do not provide an ongoing, year-round service to the community, unless such sponsors are the only institutions in an area available to serve needy children.

(2) A parallel disqualification of vendors who were seriously deficient in the past or who lack adequate financial or administrative capability.

(3) A provision to prevent program dollars from going to large numbers of nonneedy children at camps. Currently, a camp can enter the program and receive reimbursement for the full cost of meals served to all children so long as one-third of the children meet the eligibility standards for free or reduced-price meals. We would provide that camps would be reimbursed only for meals served to children who meet the eligibility criteria for free or reduced-price school meals.

(4) A provision giving authority to USDA to modify the reimbursement rate structure now written into law, if after appropriate study the Department determines that the current rates for food service operations are too high.

(5) A similar review of the reimbursements paid to sponsors for their administrative costs. At present, sponsors can receive up to 6.75 cents per lunch for administration, and this formula can encourage sponsors to inflate the number of lunches served. We would delete the current administrative rate structure from the law, and direct instead that the Department prescribe a new rate structure after appropriate study. We wish to examine new rate structures that take economies of scale ino account, and that do not encourage sponsors to inflate their meal counts. In addition, we would like to examine whether schools should be permitted higher administrative reimbursements than other sponsors.

(6) Restrictions on meal services that sponsors could provide. We would allow sponsors to serve more than one meal per day only if they have the administrative food preparation and food holding capabilities to manage a multiple meal service. If a sponsor other than a camp satisfied these criteria, we would allow it to serve no more than two regular meals plus a snack. Camps would be allowed to serve three meals per day plus a snack.

(7) A limitation on the amount of advance payments any sponsor may receive—except in limited circumstances where the State determines that a school or a sponsor preparing meals onsite needs a larger

payment to operate the program and where the sponsor has the administrative and managerial capability to justify a larger payment. Our belief is that small sponsors running good programs for children from their community may need payment in advance but that the larger operations can get by without advance payments of the magnitude to which they are presently entitled under the current law. We propose to limit monthly advance payments to any one sponsor to $40,000.

(8) A modification of the formula under which States receive Federal funds with which to administer this program. Under the current statutory formula, States with a $45,000 program receive only $900 in administrative funds. States with a $50,000 program receive $10,000 in administrative funds, but States with a $500,000 program still receive only $10,000 with which to run the program. Due to the inequities of this formula, two States with moderate size programs have declined to administer the program. Other States do not have the staff they need to run the program well.

We would like to propose a new formula instead. States would receive an amount equal to 20 percent of the first $50,000 in program funds distributed in the State the previous year, plus 10 percent of the next $50,000 in funds, 5 percent of the next $100,000 funds, and 2 percent of all funds after that. The Secretary would be authorized to adjust the amounts going to individual States to reflect changes in the size of the State programs since the previous year. This new formula would provide the greatest percentage increase for States with small programs. The total additional cost of the new formula would not exceed $500,000 per year nationwide. This subsection also directs USDA to set State standards to insure sufficient staff for proper planning and administration and to withhold administrative funds from any State failing without good cause to comply with these standards or to carry out the approved State plant.

(9) A requirement that States register vendors. The registration process would include certification that the vendor meets health, safety, and sanitation standards, and a disclosure of any relationships between officials of the vending company and any sponsor or vendor that participated in the program in prior years.

(10) A provision that the Department set requirements for contracts with vendors, including bonding requirements, procedures for review of contracts by States, and safeguards to prevent collusive bidding.

(11) A requirement that sponsors submit their administrative budget for approval, in advance, by the State.

(12) A new requirement for the promulgation of model meal quality standards for contracts between sponsors and vendors, and for administrative actions to insure that sponsor-vendor contracts meet acceptable food quality standards.

(13) A requirement for earlier publication of regulations handbooks, and applications to allow for better program planning.

(14) A reduction in the maximum amount of startup funds that the current law authorizes to be provided to a sponsor—from 10 percent of a sponsor's anticipated total reimbursement—which is too high—to 20 percent of a sponsor's approved administrative budget.

(15) A requirement that priority in running the program be placed on sponsors who prepare meals onsite and in schools.

(16) A requirement that State plans must include timetables for training, plans for monitoring and inspection, plans to correct violations, plans for registering vendors, plans for auditing sponsors, and appeal procedures.

(17) Tough criminal penalties for fraud in connection with the summer feeding program.

The proposals we are presenting would also revise the food service equipment assistance program. This program provides funds for the purchase by schools of food service equipment needed for the school lunch and breakfast programs.

For the past 5 years, a portion of the funds appropriated each year for equipment assistance have been reserved for high priority uses. In fiscal years 1973, 1974, and 1975, 50 percent of all nonfood funds were reserved for use in "no-program" schools; that is, schools without any food service program for their children. The Congress has determined that bringing these schools into the school food programs—and serving these children for the first time—represented the highest priority for equipment assistance funds.

In fiscal years 1976 and 1977, one-third of the equipment assistance funds were reserved. These funds could be used either to equip no-program schools or to equip schools lacking the facilities to prepare or receive hot meals. This means that a school able to serve only a cold lunch could qualify for these reserved funds.

The Department proposes that the percentage of funds reserved for high priority uses be returned to 50 percent—and that the number of schools eligible for these priority funds be enlarged. We propose that schools that are unable either to prepare and cook their own hot meals, or to receive hot meals cooked in a satellite kitchen operated by the school district be eligible for reserved funds. This would mean that schools equipped only with convection ovens to heat frozen, pre-plated meals, could qualify for reserved funds so that such schools could begin cooking their own meals onsite.

We are recommending this change because of our serious concern over the plate waste and meal quality problems in many schools where frozen, pre-plated meals are served.

Our proposal also provides that equipment assistance funds—both reserved and unreserved—be used only to provide equipment for cooking and preparing meals at schools—or at satellite schools or central kitchens operated by the school district—unless a school demonstrates to the State that an alternative method of meal preparation—such as a convection oven to heat frozen, pre-plated meals—is necessary to start a school food program, to keep a program in existence, or to improve the consumption of food or the participation of eligible children in the program.

We believe that in many circumstances, it is an unwise use of Federal equipment-assistance money to dismantle a kitchen used for on-site preparation and to replace it with a convection oven for heating the frozen, pre-plated meals.

Finally, we would like to discuss the programs under which the Department of Agriculture purchases and donates commodities to child nutrition programs and the elderly feeding program authorized under title VII of the Older American Act. We support these commodity purchases and plan to continue them.

Section 14(a) of the National School Lunch Act is one of the several places in that act in which commodities are mentioned. Section 14(a) expires this coming September 30.

We propose to provide the Secretary with authority under section 14(a) to purchase with appropriated funds nonsurplus commodities for the elderly feeding program. We strongly recommend that the Secretary's authority to use section 32 and CCC funds to purchase nonsurplus commodities, under section 14(a), for child nutrition programs not be extended for two reasons: First, we believe section 6 of the National School Lunch Act already contains sufficient legal authority for the use of direct appropriations for nonsurplus commodity purchases for use in the child nutrition programs. And, second, a simple extension of section 14(a) would permit the use of permanent budget authority from section 32 for nonsurplus commodity purchases outside the control the congressional budget and appropriations process. The Department has and will continue to seek funding for feeding programs which require nonsurplus commodity assistance through direct appropriations. We believe that continuation of this backdoor spending provision would be contrary to the spirit of the Congressional Budget and Impoundment Control Act.

We should also like to make some comments, Senator, on S. 1420. The summer feeding and food service equipment provisions of S. 1420 are substantially similar to those in the administration bill. There are, however, several summer feeding provisions in S. 1420 that give us some problems. We are also concerned about S. 1420's creation of two new entitlement programs in regard to State administrative expenses and nutrition education.

Among the summer feeding provisions in S. 1420 that the administration would prefer not to see adopted are the following:

No. 1. The establishment of a fund of $3 million a year for equipment assistance to summer feeding sponsors. Most of these sponsors operate summer feeding programs for only 4 to 8 weeks a year, and we do not feel that the Federal Government should pay for equipment that will largely be used for nonfederally supported programs during the rest of the year.

No. 2. A provision that advance payments for July be provided to sponsors on July 1. Our bill provides for these payments to be made on July 15, and we believe this to be quite significant. Since many sponsors do not begin operation until the last week in June or the first week in July, it is difficult to know on July 1 how large a particular sponsor's program will be. If advances are to be made on July 1, there is the possibility for some overpayments to occur.

No. 3. In several areas, S. 1420 incorporates detailed provisions from our new regulations directly into law. Examples are that States must approve contracts exceeding $100,000 and audit sponsors with programs of less than $50,000. We prefer that this sort of specifics not be written into law. After this summer's experience, we might want to adjust these dollar figures up or down. The administration's bill requires that these general procedures continues, but allows the Secretary to set the specific dollar figures by regulation in the light of program experience.

No. 4. Both our bill and S. 1420 require a study of reimbursement rates. S. 1420 calls for the study to be completed by November 1, and

to include such topics as the economic impact of the summer program on the surrounding community. We prefer that such topics not be mandated for study in so short a time frame. We believe the November 1 deadline is a bit too close.

No. 5. S. 1420 does not contain a provision in the administration bill to limit sponsors other than camps to three meals a day, and camps to four meals a day. We do urge the adoption of this provision.

S. 1420 would, over the next several years, greatly expand Federal payments to States for State administrative expenses. We believe the expansion goes well beyond what is needed.

In fiscal year 1975 States received $6.7 million. In fiscal year 1977, they will receive $13.7 million. Under S. 1420, this amount would escalate to $45 to $50 million by fiscal year 1981.

USDA's State staffing study shows that the States spent $17.5 million of their own funds for State administrative expenses in fiscal year 1975, and that States project a total need for fiscal year 1977 at about $41 million. The State estimates may be too high, but even if they are accurate, this would indicate a need for about $23 million or $24 million in Federal funds if the State contributions remained at the fiscal year 1975 level.

The administration believes that the provision in S. 1420 would result in unnecessary expense to the Federal Government, and might lead to the replacement of State dollars with Federal dollars. We recognize that S. 1420 has a "maintenance-of-effort" provision, but such provisions are extremely difficult for us to enforce.

The administration does recognize that there is a need for a new funding formula for State expenses. We believe such formula should probably be on a Federal/State matching basis. We do not presently have the analysis we need to propose a fair and equitable matching formula. We plan to continue our work in this area and to present such a formula next year, in time to take effect for fiscal year 1979.

Finally, the administration is concerned about the nutrition education provisions of S. 1420. Several weeks ago, in testimony before the House Education and Labor Committee, Secretary Bergland noted that the Department is planning to review the entire child nutrition area before next year. The Secretary requested that the House Committee, and the Senate Committee on Agriculture, Nutrition, and Forestry not add any new child nutrition programs or program components this year.

We believe this is especially applicable to the nutrition education area. While the Department strongly agrees with the need for nutrition and consumer education among the American public, we are not convinced that giving $25 to $30 million a year in grants to State education departments will make an appreciable difference in this area. Nutrition education is difficult to do well. An Urban Institute study on the WIC program found a considerable amount of the nutrition education conducted in that program in 1974 to be of questionable value.

The administration recommends instead that use be made of a provision of Public Law 94-105 that authorizes $1 million a year for pilot projects on nutrition education in schools. The past administration failed to request any money for such pilots, and no money has ever

been appropriated. The Department is now planning the development of a request in the very near future for the $1 million for fiscal 1978. We believe we should do some basic work in this area before mandating that substantial sums of money be provided to States for nutrition education activities whose effectiveness may be largely untested.

In addition, the new administration needs to study ways to improve and coordinate the nutrition education activities of the various Federal agencies presently involved in nutrition education. We believe this work, plus the pilot projects, should precede the launching of such a major initiative as S. 1420 envisages.

Finally, we should note that S. 1420 would establish the new nutrition education program as an automatic entitlement program, outside of the control of the congressional budget and appropriation processes.

Thank you very much for the opportunity of appearing here today. We obviously look forward to working with you.

Senator McGOVERN. Thank you very much, Mrs. Foreman. I too am glad you made your first appearance before this committee, the new Nutrition Subcommittee, on a nutrition subject; and I welcome Mr. Straus in his first appearance in his new role; and I want to express our appreciation to Robert Greenstein who has worked with this committee very closely in recent years, and helped us so much on the elimination of the purchase requirement on food stamps and other things, which I think are going to make the program so much more efficient and effective.

Senator Percy wanted me to announce that he has joined as a co sponor of S. 1420, and has submitted a written statement. Without objection, I ask that be entered into the hearing record.*

Senator McGOVERN. First, Mrs. Foreman, on the summer program, if we could begin with that, as I have listened to the points you made on our bill, S. 1420 gives you some concern. It does not seem to me that any of these things are insurmountable differences. I think we can take into consideration some of the suggestions you have made here today. I personally do not have many problems with some of the proposed suggestions you have made for revision. I think we can go over your testimony carefully concerning provisions in the bill and find the number of areas where we come together on these matters.

Mrs. FOREMAN. We will be glad to meet with you and your staff on that.

Senator McGOVERN. The July 15 deadline, against the July 1, it seems to me, you made a good point there. On the November 1 study deadline, it may very well be that we have no problem on extending that, at least I do not.

And these other points you have made seem to me to be not too far off the mark of what we are attempting to accomplish in our bill.

It does seem to me, however, that there is one major difference in the summer food program. You have asked for a 1-year extension of the program, and we are calling for 5 years. I would argue for the 5-year extension, not because I think the program is immutable in its present form, but I do not see anything about a 5-year commitment to a summer food program that would preclude revising it from time to time

*See p. 84 for the prepared statement of Senator Percy.

as we go along. It would seem to me that, in order to give the States and local communities the assurance that they need to plan for participation in the summer program, 1 year is a rather shaky base on which to do that. Why not a longer commitment to the program, recognizing in the legislative history that we make here that this is not a program that has been drafted in concrete, that it can be changed? We actually call for studies and evaluation as we move along, and the Department will presumably be monitoring it as it goes along, and make the commitment for a longer period of time, but leave open the question of administrative changes from time to time.

Mrs. FOREMAN. I share your concern about not introducing any instability into the program, Senator, but it has been my experience that when a program is set up for 5 years, it is very hard to get everybody in gear to do the kind of detailed overall overhaul that we think we would like to make of the child nutrition programs in general. That is our concern. We brought in this 1-year extension on rather short notice because we have just come into the Department, and we had to deal with it on a very short-time basis, and OMB had to deal with it on a very short-time basis.

We would like very much—and we have certainly made a commitment—to examine all these programs in detail and come back to Congress with perhaps a very substantial overhaul. I am just reluctant to diminish the necessity of doing that overhaul by having a 5-year extension.

Senator MCGOVERN. I think that is something we certainly want to evaluate, and I can see some logic in the point you are making, particularly with the new administration coming in, and the reports of fraud and abuse in the program, which we are all familiar with.

I guess this is the one program that has had more unfavorable publicity recently than any of the others.

On the differences elsewhere in the bill, I suppose the basic difference is that we have a very substantial nutrition education section, whereas the Department proposes a very small effort in that field over the next year. Other than that, it seems to me, the two bills are not very far apart. We have a new nutrition education section that costs roughly $25 million, and I think the program you are proposing is about $1 million; is it not?

Mrs. FOREMAN. I think that is correct, yes.

Senator MCGOVERN. I call your attention to the fact that by slightly reforming the special milk program, which I think the Department supports, we are going to pick up at least $25 million in savings, which could be used to cover the cost of the nutrition education program. So, we are not really giving you any budget problems in this bill, if we save $25 million on the milk program by these modest reforms, and then use that for nutrition education. We are still staying, are we not, within the budget constraints?

Mrs. FOREMAN. Yes, sir. My problems with the nutrition education provisions are substantially more than budget oriented. I think you know that I share your concern for nutrition education. The Secretary said, in bringing me into the Department, that he was making a commitment to nutrition education and information. But I am not persuaded that making large grants to State departments of education is

a particularly good way to handle that. Quite selfishly, and quite openly, we would like to have the opportunity for the Department to spend the next several months between now and the 1979 fiscal year budget process developing new nutrition education programs that we think could be administered very effectively.

I have not had particularly good experience with block grants, or large grants to State departments of education without having very specific requirements written in. Right now I just do not know what kinds of requirements I would write in for a nutrition education program, and whether it would be effective.

So, what we are really pleading for here is some time to try to develop a good program, and we would be happy to work with you and the staff of the committee in trying to come up with that.

Senator McGovern. As I envision it, the purpose of this initial funding is to enable the State education agencies to undertake a program for training food service and educational personnel in the principles of good nutrition. I do not know, either, all of the things that they need to know. But do you not think we have the competence in the States, if we provide these grants—which is really not a massive program, $25 or $26 million distributed over 50 States—to at least begin a training program so that we can develop the personnel in this field, and know how to direct good, sound nutritional programs?

Mrs. Foreman. One of my concerns is, Senator——

Senator McGovern. $1 million is a very meager budget to launch an education program, is it not, for the whole Nation?

Mrs. Foreman. That is the pilot part, is it not?

Senator McGovern. Yes. We had recommendations for pilot studies that go back almost 10 years now, going back to the White House Conference of 1969, where we were talking about getting some pilot studies underway in the nutrition education field.

Mrs. Foreman. There is a substantial difference now in the people that are asking for the money, I can assure you. That money has never been requested by the administration, I think. Now we can persuade the administration to ask for that money, and get something underway fairly quickly.

I have this problem because I keep running into things where we have people who are presumably doing nutrition education, and everybody seems to work from a similar book, instead of going in and adapting nutritional information, for example, to the needs of a low-income, black, inner-city population. They will be given the same information there as is given to a suburban child, and their diets are substantially different, and their dietary needs appear to be substantially different. The problems of diets that they run into are different.

I am very insecure at this point about our ability to do this very well.

Senator McGovern. I remember in the 1969 conference—and I recognize it was a different administration, and a different time span—but I think their No. 1 priority was nutrition education. They brought in people from all over the country, and they spelled out a series of high priority recommendations. As I recall it, No. 1 was for the Nation to develop a program on nutrition education. Now, that was 8 years ago.

Then, in 1974 this committee attempted to review—the Select Committee on Nutrition—attempted to review what happened to these White House recommendations of 1969, we looked at it 5 years later.

We made a rather exhaustive effort in 1974 to look at the whole range of nutritional concerns around the country, and we *came* up with the same conclusion, that the highest priority was to launch a program on nutrition education, that this would return more dividends on the investment than anything else we could do—that was 3 years ago. You begin to wonder at some point when we are going to move on these things.

I am not particularly concerned about the exact level of money, whether it is $25 million, or exactly what it ought to be; although I know this bill was worked out in close consultation with all of the major nutritional groups. It is their view this is the kind of program the States are now capable of tooling up. It may very well be that you have a legitimate point that the committee ought to look at, and we certainly will look at it. We do not want to authorize money that is beyond what you can competently handle.

Mrs. FOREMAN. Mr. Straus wanted to make a comment on that.

Mr. STRAUS. I guess, Senator, in part we fear the creation of a multiplicity of curriculums around the country without having a clear sense of exactly what curriculums are valuable in training food service workers; and beyond that, what kinds of materials, and should they be prepared singly, or perhaps it should be a national policy established, obviously, with contributions from the States, but extending from here, from this Department, in cooperation with HEW and other concerned agencies, which would prevent the kind of false start, duplication of efforts that a pass-through grant might permit.

But, you are right, $1 million might be inadequate, $25 million—I could not make an assessment between these figures. We would like to have time to look at what sorts of materials might be most effective in achieving results.

Senator McGOVERN. Senator Melcher?

Senator MELCHER. Thank you, Mr. Chairman.

I want to start out, first of all, with section 14(a), which expires on September 30. Something has to be done about it, and you are recommending that we continue section 14(a), but modify it; do I understand you correctly, amend section 14(a)?

Mr. GREENSTEIN. Section 14(a) essentially has two performances, one is for the child nutrition program, and the other one the elderly feeding program. It is the opinion of our lawyers that the part of the child nutrition program is simply duplicative of the authority already in section 6 of the School Lunch Act, so, it is simply unnecessary. The authority to purchase the commodities for the elderly feeding program is needed, and it is not duplicative of the authority contained in the Older Americans Act. We would extend that. And one other change we would make is, the current section 14(a) allows section 32 funds to be used to purchase nonsurplus commodities. We are simply asking, extending the title VII program, it be direct appropriations authority, rather than using section 32 funds.

Senator MELCHER. You say nonsurplus commodities.

Mr. GREENSTEIN. Section 707 of the Older Americans Act already does provide for the Department to use section 32, 416, and 709 funds to acquire surplus commodities and CCC commodities for the title VII program. One thing that we are missing and that only section 14(a) provides is the authority to purchase nonsurplus commodities for the title VII program. So, we are asking that be extended.

Senator MELCHER. Well, section 14(a), I gather, as it is written now, permits you to use section 32 funds.

Mr. GREENSTEIN. For nonsurplus commodities; that is correct.

Senator MELCHER. Well, can you use section 32 funds for anything else?

Mr. GREENSTEIN. We have the authority already to use them for surplus commodities.

Senator MELCHER. For surplus commodities.

Mr. GREENSTEIN. Right.

Senator MELCHER. Well, is not section 32 generally for the purpose of purchase of commodities that are not covered by price support?

Mr. GREENSTEIN. It is for commodities that are not covered by price support, but that the Department determines to be in surplus and therefore buys up. I think in the title VII program, to give the title VII projects a full range of commodities that they can use, if you want to have nonsurplus commodities, as well.

Senator MELCHER. I see. Well, you want section 32 funds to buy up surplus commodities, and you want that retained in the law.

Mr. GREENSTEIN. That is already in section 707.

Senator MELCHER. And you want that retained in the law. You want part of the flexibility that is in 14(a) taken out of the law.

Senator MCGOVERN. Mr. Del Castillo, can you comment on Senator Melcher's question?

Mr. DEL CASTILLO. Yes, sir. We do not need section 14(a) for the purchase of nonsurplus commodities for the school lunch program. We have section 6 authority for the purchase of nonsurplus commodities for the school lunch program. However, we do not have any special purchasing authority for nonsurplus for title VII for elderly people, except 14(a).

As Mr. Greenstein mentioned, this is a duplication for the school lunch, only.

Senator MELCHER. That is hardly unique in the Federal Code, is it?

Mr. DEL CASTILLO. I do not know, sir.

Senator MELCHER. Well, I am not worried about the duplication.

Mr. GREENSTEIN. We are concerned about flexibility.

Senator MELCHER. I am concerned about flexibility. I am not concerned with the charges of back-door spending. I think the dynamic Department of Agriculture can buy those foods when they are the best buy, distributing them to people who are hungry. I think that is what this ought to be about.

Now, section 32—what is wrong with back-door spending on section 32? Do you have to come to Congress and tell us ahead of this budget authorization, and ahead of fiscal year 1978, do you have to be ready to start telling us in January what the Secretary is going to buy almost a year later—in most instances more than a year later?

Mr. DEL CASTILLO. Yes, with respect to CCC-inventory commodities. Surplus determinations for other foods would be made later.

Senator MELCHER. How does the Secretary know in January 1977 what he is going to buy in the way of commodities for nutrition programs that will be used after October 1977, and through most of 1978?

Mr. GREENSTEIN. I think that is exactly the point. Our bill would make a change that is more apparently real. What has been happening during the past couple of years, when the budget came up in January,

it would have a dollar figure for the total amount, the dollar amount of commodities needed for title VII whether they be coming from 32, 416, 709, or whatever, it has an overall dollar figure for the whole amount, based on the annual program level in section 707, of the Older Americans Act. The Appropriations Committees, then, each year have appropriated anyway, through direct appropriation, that total amount, and covered funds that come out of these different sections.

So, although we are proposing to change the code in a way that gives less flexibility, what we are actually proposing is really to maintain what has been the practice for the last couple of years.

Senator MELCHER. This section here, 14(a), permits the Secretary during fiscal 1978 to use section 32 funds in excess of that which was appropriated.

Mr. DEL CASTILLO. No, sir. I think it means that he can use appropriated money for the purchase of nonsurplus food for the school lunch program and for title VII; that is appropriated money.

There is a special reserve, section 32 can be used quite apart from that, for emergency purchases; but that is not what we are discussing here.

Senator MELCHER. Section 14(a), as now drafted, permits the use of section 32 funds in excess of the budget?

Mr. DEL CASTILLO. No, sir.

Senator MELCHER. You do not think so?

Senator MCGOVERN. Mr. Del Castillo, you use section 32 funds to support the WIC program, do you not?

Mr. DEL CASTILLO. That is out of my sphere, now. The money comes from section 32, but I cannot speak with authority on WIC anymore.

Senator MCGOVERN. I think that is how the programs was funded, if I am not mistaken. Is that right, Mr. Greenstein?

Mr. GREENSTEIN. It was. That will end in fiscal 1977. The Child Nutrition Act requires that section 32 funds be used in fiscal 1976, and 1977; but that in fiscal 1978 appropriated funds be used for WIC programs.

I think in regard to your question, Senator, that would be the case, that section 14(a) will allow the use of section 32 funds beyond what is appropriated. In a sense that is the case, except for one thing. If I remember correctly, section 14(a) says you can use section 32 money to provide commodities to maintain the annual program level. I think that may be in there. So, it is that program level, traditional level prescribed by the Older Americans Act that governs the total amount.

Senator MELCHER. Well, rather than amending it the way you want to, I would rather loosen it up a little bit, and encourage the Secretary to get dynamic on this. You know, when you find a good buy, as every housewife does, she takes it home and uses it, and feeds the family. That is what the Secretary ought to be doing. When he finds a good buy, he ought to be buying it and getting it out to the senior citizens centers, and to these school programs, and letting people enjoy all this adequate nutrition we have in this country, which is inadequately distributed.

These programs need to be expanded, they do not need to be cut down, Carol; they need to be expanded.

Mrs. FOREMAN. I think I share by and large your view about that. As a matter of fact, sometime in the next couple of weeks Mr. Straus, Mr. Del Castillo and I would like to elaborate a little bit on that.

91-647—77——6

Senator MELCHER. How you expand on them.

Mrs. FOREMAN. Yes, sir.

Mr. GREENSTEIN. We do have authority, under section 707(a) of the Older Americans Act, to go beyond the appropriated levels and use section 32 funds to make surplus purchases, if there are good buys in surplus areas. We do not have it now to make nonsurplus purchases above the appropriated level.

Senator MELCHER. There is another matter I have concern about here. One of the witnesses brought it up yesterday, and I am still not sure what it means. She was talking about having an ounce of protein in breakfast—a food that is rich in protein. I see under this schedule here 85 cents, or 86 cents for lunch and supper. Most good cooks can do it on that amount of money. Actually, you are not recommending to increase that, are you?

Mr. GREENSTEIN. We are recommending that the Department do a thorough study of the whole area, and be able to modify those rates based on the results of the study.

Senator MELCHER. When? Do you mean next year?

Mr. GREENSTEIN. In this summer's program.

Senator MELCHER. For next summer.

Mr. GREENSTEIN. Yes.

Mr. MELCHER. In other words, you think it might cost more. This does not include administrative costs.

Mr. GREENSTEIN. Well, it might cost less in some areas, more in others; there might be different kinds of rates for different areas.

Senator MELCHER. All right. But when you say you have to have a meal that is a combination of foods to meet minimum nutritional standards, prescribed by the Secretary on the basis of tested nutritional research, which seems to say that the Secretary will decide what good nutrition is; and then he will tell you what a meal is.

What does this mean in terms of the 1 ounce of protein in breakfasts, or protein-enriched food?

Mr. BOLING. In a breakfast program we have the recommendation that they serve enriched protein items as often as possible. We presently have a study underway to provide an evaluation of what is actually going on. About 3 years ago, Senator, we did an evaluation of the school lunch program of about 350 menus, as I recall, and it did show that this recommendation was being carried out in the range, as I recall, of about one to two meals a day having a higher protein enrichment level.

Senator MELCHER. What was that?

Mr. BOLING. Higher protein enriched food.

Senator MELCHER. Are we talking about a meat item?

Mr. BOLING. A meat item, this kind of thing.

Senator MELCHER. How about an egg?

Mr. BOLING. An egg, this kind of thing, as opposed to a cereal breakfast.

Senator MELCHER. How do you relate this 1 ounce? They tell me an egg weighs 1.9 ounces. A raw egg weighs 1.9 ounces. If we are talking about 1 ounce, are we talking about half an egg? That is what I am trying to arrive at.

Mr. BOLING. I am beyond my depth on this one, Senator: I would like to provide this to you. I am not aware of this particular issue, sir.

[The following material was subsequently submitted by Mr. Boling:]

The enclosed portion of the School Breakfast Program regulations, Section 220.8, Nutritional requirements for breakfasts, sets forth the minimum nutritional requirements for the service of a breakfast. Schools are free to serve more and are encouraged to do so as expressed in paragraphs (a)(2) and (c) of this section. An egg is only one of many components we recommend to improve the nutrition of participating children. A one-ounce serving of any of these components is the minimum serving—the service of more than one ounce is not prohibited.

If you need additional information, please give me a call.

Sincerely,

WILLIAM G. BOLING,
Manager, Child Nutrition Programs.

Enclosure.

§ 220.8 Requirements for breakfast.

(a)(1) Except as otherwise provided in this section, and in any appendix to this part a breakfast eligible for Federal cash reimbursement shall contain, as a minimum, the following food components in the amounts indicated:

(i) One-half pint of fluid milk served as a beverage or on cereal or used in part for each purpose.

(ii) A one-half cup serving of fruit or vegetable or both or full-strength fruit or vegetable juice.

(iii) One slice of whole-grain or enriched bread, or an equivalent serving of cornbread, biscuits, rolls, muffins, etc., made of whole grain or enriched meal or flour, or three-fourths cup (volume) or one ounce (weight), whichever is less of whole-grain cereal or enriched or fortified cereal, or an equivalent quantity of any combination of any of these foods.

(2) To improve the nutrition of the participating children over 1 year of age, breakfasts shall also include as often as practicable meat or meat alternates such as a one ounce serving (edible portion as served) of meat, poultry, or fish; or one ounce of cheese; or one egg; or two tablespoons of peanut butter; or an equivalent quantity of any combination of any of these foods.

* * * * * * *

(c) Additional foods may be served with breakfasts as desired to participating children over 1 year of age.

* * * * * * *

Senator MELCHER. Well, this was a witness' statement, about having the 1 ounce of protein enriched food.

Senator MCGOVERN. An egg every other day. [Laughter.]

Senator MELCHER. You know, really, when you get 44.75 cents for each breakfast served, I know that most housewives must think, "My gosh, our kids must eat a lot more than that"; but actually, if you are preparing a meal for 100 kids, and if you are scrambling eggs, at the current price of eggs, and the current price of milk, you can sure give them a lot of scrambled eggs for 44 cents.

Mr. GREENSTEIN. That is the maximum.

Senator MELCHER. I know it is. But your problem is whether or not they are using the foods that are available, and eggs are available; milk is available. Does this include the milk, or not?

Mr. BOLING. Yes.

Senator MELCHER. It does include the milk. They are available, and that is really all it takes for breakfast, really.

So, I just wonder whether or not you really spell this out. You know, it says here that the Secretary is going to determine what a meal is. It bothers me that a witness said, "We would like to have a requirement that the breakfast contain an ounce of a protein enriched food." That is not very much. I think that ought to be the standard. I think that ought to be in there, and if it is not, let us put it in.

Mr. BOLING. There are a couple of issues, sir, and I will hit one quickly. First of all, protein is in milk, as well as a couple of the other items we referred to. Second, we do have a recommendation that a protein item, in addition to this milk be served.

Senator MELCHER. Well, yes, a recommendation.

Mr. BOLING. As often as possible. Now, we have various patterns for breakfast in the United States, and they vary very greatly in cost. Now, we concede that we have had this breakfast pattern, which was designed to be a minimum pattern when this breakfast program was established, to encourage the serving of breakfast as widely as possible. It became a minimum pattern, and we need to restudy this pattern together with the rate of reimbursement.

Mrs. FOREMAN. Senators, before we pursue this, could I introduce the other people?

The gentleman who was just talking is Jerry Boling, who is the manager of the child nutrition program in the Food and Nutrition Service; and Margaret Glaven, who is the acting director of the school feeding program, and formerly director of the summer feeding program, she is also at the table. You have met Mr. Juan Del Castillo, who is director of the Food Distribution Division.

Mr. STRAUS. Well, I guess it is a question of whether or not the meal patterns ought to be amended in some way, by statute. We would certainly work with you in making those changes.

Senator MELCHER. We really do not have to do it by statute, if what this regulation provides—it just simply says that you are going to provide 44, or 48 cents, whatever you are finally going to agree on—you might agree on 52 cents, I judge, after you get through reviewing it.

Mrs. FOREMAN. That is my impression, that we have the capacity to put almost any meal pattern we want into the regulations, sir.

Senator MELCHER. I wish you would. But unless you do, we ought to legislate it. When you have the eggs that do not cost very much, and you have the milk that does not cost very much, it is kind of silly not to say, "You make sure you do this." I do not suppose everybody wants to eat eggs every day—but you do not even require it right now, you just suggest it.

Mr. BOLING. We suggest it, and the suggestion is having an impact on our surveys.

Senator MELCHER. Well, I am sure that an awful lot of these breakfasts are served out of boxes because kids like them.

Mr. BOLING. Yes.

Senator MELCHER. I mean the boxes of Wheaties, and what have you. They like it, and it is easy. Maybe it is in the individual boxes, the kids like the individual boxes better, a selection of six different ones. Kids like it, I am sure, but it is not near as good for them as some other serving of protein-rich food, eggs, and bacon.

Well, I think those are the only points I have, except to make one other observation. I do think we need to have this nutritional training. I do not care how we do it, but I do not think we ought to put it off very long. Senator McGovern's bill has a system for putting out some grants to States for nutritional training. I think we ought to agree on a fairly good amount for it and go ahead.

Senator McGovern. In that connection, I think one thing we have to consider is the indirect cost involved in not doing enough on nutrition education, too. That is one of the things we sometimes overlook in some social programs. We get a pretty good estimate on what they are going to cost, but it is not so easy to measure what it costs not to do these things, the expenses we have later on in paying for the wreckage that takes place in children and other citizens from not knowing what they eat, and not developing good nutrition patterns. I just would like to say parenthetically that I hope we are not going to move toward the point where we recommend an egg a day for everybody; I am not at all sure that is the way we want to go either, John.

Senator Melcher. Maybe every other day. I am not all that heavy on eggs, except they are cheap and they are really nutritious.

You know, on this nutrition education thing, when there is economic gain, you always see a faster action. As a veterinarian I can tell you that the nutritionist for animal nutrition can tell you 18 different ways of getting more vitamin A into the rations of feedlot cattle, for instance; or changing the protein makeup of a feedlot ration for cattle. They can tell you 16 different ways in any given area how to increase that protein, what the cattle like the best, what is the cheapest, what they will gain the fastest on, be the healthiest on, et cetera. That is because there is economic gain involved. We are kind of slow on people in finding the best nutrition. For people there is not that economic push.

So, I think it makes a lot of sense to have some grants, if that is what we are proposing, George, for education and nutrition. That does not change whatever impact you want to make here. You can go right on with it. You are just going to have a little bit of a head start. The money will not be wasted. That is not very much money, considering how big an area it is.

Senator McGovern. In that connection Senator Helms has submitted a question, Mrs. Foreman. How much will this legislation cost, compared to the fiscal year 1977 costs? I presume he meant both the cost of your proposal, and also the cost of the bill that I have introduced in conjunction with other Senators. Do you have figures on that?

Mrs. Foreman. I think Mr. Greenstein does.

Mr. Greenstein. The administration bill, overall, would be a very, very slight reduction, perhaps; pretty much the same as the current program. In the summer feeding area there would be a slight reduction because of the provision on camps.

Senator McGovern. Right.

Mr. Greenstein. There would be a new State administrative formula, which is also in your bill, and we estimate that at $100,000. A very, very slight reduction. I was just talking, before the hearing started, to representatives from the Congressional Budget Office, and their estimate of the administration bill was a very slight reduction for all practical purposes.

On your bill, I do not think we have looked at that totally, there are a few items that are a little more expensive in the summer feeding program. I guess the main one that strikes me right off is the provision we mentioned of about $3 million for equipment.

You have a provision in the school breakfast area for the especially needy, which is a slight additional cost, but probably not over $1 million in the first year.

And the State administrative expenses provision in your bill, I believe, in the first year it is about $4 or $5 million over the current policy, it is about $18 million. The current policy is about $13.7 million.

It is $2 million over what the Agriculture Committee recommends to the Budget Committee, and about $4 to $5 million over the current spending level. And then that goes up in succeeding years from $1, to $1.5, to $2.

I think our real concern is not so much the level there in fiscal 1978, as in succeeding years under the State administrative expense area; it could go to eventually $30 million.

And then—and we have not looked at this closely—but as I understand your staff's estimate, the special milk program savings and the nutrition education costs are roughly comparable. I know one concern that the administration and the Office of Management and Budget have in that area is that the nutrition education program might follow the route of a number of other programs, it starts small, but within several years you have the automatic entitlement level raised up higher and it will become a much more major expense.

Senator McGovern. All right. If there are no additional questions, we appreciate the appearance of the administration's representatives here.

In the absence of any minority members of the committee, John, what we had better do is instruct our staffs—both the majority and minority staffs—to meet, and to do that in consultation with the Department, and see if we can agree on some language; and then perhaps poll the members of the committee on the proposed compromises, if that is agreeable. I would suggest that we not go to the markup now, without any of the minority members here.

Senator Melcher. I think it would be bad policy to start the markup without any minority members present.

Senator McGovern. All right. Again, thank you for your appearance here, and we will be in touch with you.

[Whereupon, at 11:15 a.m., the subcommittee adjourned, subject to the call of the Chair.]

APPENDIX

STATEMENT OF HON. HUBERT H. HUMPHREY, A U.S. SENATOR FROM MINNESOTA

Mr. CHAIRMAN: I am very happy to participate in the first hearings of the Subcommittee on Nutrition.

It's clear that this year, unlike previous years, no new major food program expansions are necessary or warranted. Instead, this is a year for tightening up, for reform, and for clarification of existing law.

Most importantly, this is the year to finally add nutrition education to our child nutrition efforts.

The major thrust of this bill is nutrition education. I believe it is the most important part of the legislation before us, and the most useful step we can take this year to further safeguard the health and well-being of our nation's children.

I clearly recall that the first recommendation of the 1969 White House Conference on Food, Nutrition and Health was to get nutrition education into our schools. The same was true for the 1974 Nutrition Committee National Nutrition Policy hearings.

Only 0.3% of all child nutrition funds going to the states is used for education, and little of that is done in the classroom. That's pathetic, when you consider the ready availability of the lunchroom as a learning laboratory. It's also inexcusable since we've learned that 6 of the 10 leading killer diseases, including heart disease and cancer, are directly related to diet. Our health costs will reach $200 billion by 1980. The cost in unnecessary human suffering from these diseases is inestimable. Yet the habits that lead to poor diet begin in young children. We can train them for health, in the classrooms and cafeterias, as well as feed them. Food is not enough. We need education, too. This is money spent for prevention. It is an investment as much as an expenditure.

The bill itself has been carefully worked on for two years. Staff, at the direction of Senator McGovern and myself, have consulted with and met the requests of the American School Food Service Association, the American Dietetic Association, the Dairy Council, the Society for Nutrition Education (in Berkeley) and other national groups. This bill is a very adequate compromise between earlier nutrition education proposals, and very closely resembles a current proposal before the House.

I am gratified that this bill is in accord with the thrust of a number of provisions in original legislation I introduced, S. 720, the National Child Nutrition Information and Education Act.

Nutrition education should be supported by all, whether it's those concerned with plate waste problems, or those concerned with the etiology of degenerative diseases. The point is that we need to begin now.

Something else we must do this year, and which the legislation before us addresses, is to correct administrative problems, eliminate potentials for abuse and fraud (especially in the summer food program), and encourage better food quality and the use of meals prepared on site.

This year we should attempt to help various food programs operate more efficiently and effectively while ensuring access to the program and correcting administrative difficu'

To that end, the before us includes several minor but needed updates in current ' ard to the School Breakfast Program, school food equipment, admin enses, and commodities.

As a package, t. n we will consider, and hear testimony on, will cost nothing.

This is made possible by using savings taken from a modification on the Special Milk Program and putting that money into nutrition education.

(83)

I believe that by correcting old problems we can afford to assist other programs. I am very pleased that the Congress can now offer a nutrition education program without increasing overall expenditures for food programs. Quite frankly, I believe that nutrition education is a sound investment in our future, and that in the long run it is worth its cost ten times over. However, as a component of this bill, its cost is absorbed by savings elsewhere.

The Senate Select Committee on Nutrition and Human Needs, which I serve on, monitors all our Federal food programs on a daily basis and is in touch with those who benefit from them, and those who administer them.

Much of the legislation we will discuss today is a direct result of those monitoring efforts.

Mr. Chairman, I am looking forward to working with you on this new Nutrition Subcommittee to help further serve the health and nutrition needs of our children.

STATEMENT OF SENATOR HON. CHARLES H. PERCY, A U.S. SENATOR FROM ILLINOIS

Mr. Chairman, I am very pleased to join you as a cosponsor of S.1420, the National School Lunch Act and Child Nutrition Act of 1966 Amendments of 1977. This bill is a further example of the concerns that you and I and Senator Dole have expressed and developed over the years along with our colleagues on the Select Committee on Nutrition and Human Needs. We have tried to determine where needs for nutritional assistance exist and how best to meet those needs. Once such programs have been established, we have tried to assure quality in them, fill gaps, and root out waste or abuse.

The bill shows another concern too: that for controls on spending. This is accomplished in two ways. First, through careful programing, the bill saves about $1 million over this year's programs while providing essentially the same services and more. Second, the bill provides for establishing nutrition education programs which I think ultimately will account for further savings.

I would like to expand on this last point, for I have long been a proponent of nutrition education. Lack of knowledge about what constitutes a well-balanced and healthy diet and ignorance of the benefits of sound nutrition are widespread in our nation. This is especially true among our youth. These factors, along with unfamiliarity with some of the foods served are often cited as being among the causes of food waste in several Federal food programs. Good nutrition education programs in our schools should help cut back on this dreadful waste, and in so doing save food and make better use of this valuable resource.

Nutrition education can bring other savings: savings of lives, of health, and in our national productivity. We have found through Nutrition Committee investigations that malnutrition, both underconsumption and overconsumption, can have long-term adverse effects on the individual. Both types of malnutrition can lead to premature death and disease and reduced physical ability. These detract from our national capacities and cause tremendous health care costs, frequently at Government expense. Nutrition education, as are all of our nutrition programs, is an investment now for health and savings in the future.

Lastly, this program of nutrition education is a first step towards implementing the governmental actions recommended in the Nutrition Committee's report "Dietary Goals for the United States."

I would like to comment on one other aspect of the bill—that part dealing with the Summer Food Program. We all know that this program has had problems in the past few years. To some extent the problems were due to vague legislative language.

Much stronger regulations for this summer's program from USDA will help relieve some of these problems. S. 1420 will do more to improve the program and will give a firmer legislative basis for the regulations. Of greatest importance in the bill are the stricter sponsor eligibility requirements, vendor registration, limits on advance funding, emphasis on and encouragement for on-site meal preparation and smaller numbers of sites per sponsor, auditing requirements and standard contracts in each State.

Mr. Chairman, as I see it, this bill is all benefit—there is no compromise of quality in the programs, and there is no trade-off between program improvements and cutbacks in services. It is necessary, timely, cost-effective, and money saving legislation, all at the same time. You cannot find a better combination. I pledge my support for this bill and will do what I can to help have it enacted.

STATEMENT OF HON. RICHARD A. GEPHARDT, REPRESENTATIVE IN CONGRESS FROM THE 3RD DISTRICT OF MISSOURI

Mr. Chairman, I appreciate this opportunity to come before the committee to discuss commodity distribution under the School Lunch Program.

School officials in my district, which includes parts of St. Louis and St. Louis County, have told me some alarming stories about their experience with commodity distribution. I am concerned that if the present situation is allowed to continue, it will cripple a program which has been so valuable in making sure the children of our country get the nutrition they need for their health and education.

I would like to relate for you some of these stories because they reveal problems that ought to be addressed by the Congress during debate on legislation to extend the National School Lunch Act.

Most widespread are reports of massive inventories of some products which it seems could never be exhausted without spoilage or waste. For example, the Rockwood School District in St. Louis County, which serves about 4,500 lunches a day, has a 2½ year supply of peanut butter and a 2 year supply of orange juice. Another district in the county has on hand 153 cases of cranberries, a notoriously unpopular item which can be served in very few ways. A third district reports an inventory of over 6,200 pounds of margarine, which may not seem unreasonable considering the wide variety of uses for the item. But the same district also has on hand almost 1,300 pounds of butter and another 1,700 pounds of peanut shortening.

In addition, some school districts have reported massive quantities of ground beef, forcing them to serve it three, four and even five times a week. The Special School District in the St. Louis area, for example, reported one weekly menu as follows:

Monday—Barbecued beef on bun.
Tuesday—Cheeseburgers.
Wednesday—Spaghetti with meat sauce.
Thursday—Meatloaf.
Friday—Chili.

Other reports demonstrate that commodities are often unsuitable for many schools. There is little use for some commodities, like peanut granules which have been distributed in large quantities this year. Schools can use them for little more than topping on some baked goods; and one school superindentent said that they usually end up as ammunition in pea-shooters.

Other schools have received fat and oil but have no facilities for deep-frying. The commodites end up down the drain.

Furthermore, the packaging of commodities is often inappropriate. Packages are either too large, like a 70-pound block of butter, half of which becomes spoiled before the whole block has softened enough to be used; or some are too small, like the 12-pound turkeys that were distributed last year requiring much time and expense on processing before they could be served in the large quantities required in a school cafeteria.

Committee members are undoubtedly familiar with the General Accounting Office report issued in January which found the stories I have heard in St. Louis to be typical of the experience with school lunch programs throughout the country. The large inventories, the lack of variety and the unsuitability of commodities raise costs for the districts and encourage waste by school kitchen staffs and children alike. Storage of large inventories alone can raise costs for a single school district by as much as $800 a month, particularly if commercial freezers have to be used. One school system in my district is finding it necessary to build additional freezers and warehouses because commercial storage facilities are too far away to provide convenient storage and timely deliveries.

In contrast to the operation of the School Lunch Program is my home State of Missouri and elsewhere is the experience in Kansas, where cash in lieu of commodity assistance for school lunches has proved to be advantageous. You are familiar with the findings of the GAO study there, where most school officials reported they could buy more food with cash than they received under the commodity program. They have been able to serve a wider variety of food, making the menus more desirable and cutting down on plate waste. Furthermore, their purchases have been better suited to their needs and facilities, thereby lowering storage and processing costs.

Officials of the Kansas City, Kans., school district reported a total annual savings of over $26,000 since cash assistance replaced commodity donations for school lunches. A suburban district, Shawnee Mission, has saved $42,000 per year in freight, storage and delivery costs since the cash program was implemented.

Preliminary findings of a study underway at Kansas State University comparing the cash system in Kansas with the commodity system in Oklahoma, show administrative costs for the Kansas school lunch program are one-quarter those for Oklahoma.

On the other hand, some reports claim the quality of food used in Kansas lunches is inferior to that provided by the Federal Government, which evidence shows to be extremely high.

In my view, the findings of the Kansas State and the GAO studies, as well as the many problems which have come to light about commodity assistance, warrant careful and constructive action. Cash in lieu of commodity assistance deserves more complete analysis to determine whether it would damage our agricultural programs which are designed to assure just and adequate incomes for farmers through price supports and surplus removal.

I, therefore, introduced a bill in the House to give the Secretary of Agriculture authority to undertake pilot projects to seek more efficient methods of operating the school lunch program. In particular, one such project would test the feasibility of giving school districts within specified states the option of all cash assistance in lieu of commodities. The Secretary would be required to report to the Congress on his findings from the pilots as to their impact on nutrition provided, administration of the program, savings derived at the Federal, State and local levels, quality of food served, ability of the government to assure adequate incomes for farmers, and reduction of plate waste.

In the meantime, many administrative improvements should be made in the school lunch program as presently authorized. My bill, therefore, also directs the Secretary to establish procedures designed to assure distribution of commodities is responsive to the needs and preferences of participating school districts and is carried out in a timely manner with adequate notice. The Secretary would also be required to provide for systematic review of the costs and benefits of providing commodities and to make available technical assistance on the use of commodities.

I am happy to say that substantially this same proposal was written into child nutrition legislation approved by the House Education and Labor Committee yesterday. I urge you to follow the lead of the House Committee and approve similar proposals for improving commodity distribution.

The National School Lunch Program has made an outstanding contribution in promoting adequate nutrition for the children of this country. To continue the benefits of the program, it is important that we in the Congress make sure it is operated in a manner that will maximize those benefits while minimizing the costs. The evidence shows that the present administration of commodity assistance for school lunches, in many respects, incurs unnecessary costs for both the Government and school districts while lowering nutritional benefits by fostering plate waste. Enactment of the improvements and the pilot authority included in my bill can help us find the changes most appropriate for realizing the full potential of the school lunch program.

STATEMENT OF JOSEPHINE MARTIN, PRESIDENT, AMERICAN SCHOOL FOOD SERVICE ASSOCIATION, ATLANTA, GA.

Mr. Chairman and members of the subcommittee, I am Josephine Martin, Administrator for the Child Nutrition Programs for the State of Georgia. However, today I am testifying as President of the American School Food Service Association.

The ASFSA is a nonprofit organization with some 65,000 members, the largest membership we have ever had. The great majority of these members are directly involved in the task of preparing and serving nutrious meals to children. In my opinion, there is no more dedicated or unselfish group of public service employees anywhere in the nation.

Clearly, the Congress has been very generous in providing funds for the child nutrition programs in reecnt years. However, it is unfair and inaccurate to say, as some have alleged, that these funds have been used for the benefit of the school food service employees. As a practical matter, their salaries are controlled

by local school boards and, outside the big cities, they are paid at, or perhaps slightly higher than, the minimum wage.

Mr. Chairman, I do feel greatly honored to have this opportunity to testify before the newly created Subcommittee on Nutrition of the Senate Agriculture Committee. In itself, the establishment of this Subcommittee marks an important recognition of the relationship between good nutrition and good health. At the same time, I must express my personal regrets that the Select Committee on Nutrition and Human Needs is being phased out at the end of this calendar year. The contributions of that Committee to the understanding of the nutritional problems within the nation's population have been outstanding and will certainly be increasingly appreciated in the years to come.

In my testimony today, I wish to concentrate on three major provisions of S. 1420, with briefer comments on the other parts of the bill.

First, the commodity distribution program: The provision in S. 1420 to extend the Department's special commodity purchase authority should be approved. This, in itself, will constitute a reaffirmation of Congressional policy that this program, so important in supplying hign quality foods to the school lunch program, should be continued without change.

As you know, strong organized pressure is being brought on the Congress to give local school districts the option of accepting cash payments in lieu of some or all of the Government commodities.

Such a program would be virtually unworkable because:

1. USDA procurement schedules for section 6 and section 32 foods would be delayed for up to 60 days while determination of the number of schools desiring cash payments was made. This delay would seriously interfere with purchase of canned or frozen fruits and vegetables which are processed in the summer months.

2. State commodity distribution systems, which now deliver USDA foods to all school districts, would have to be drastically revised with attendant increases in transportation costs under a patchwork commodity distribution program.

3. State educational agencies would be required to develop, at increased cost, new computer and accounting procedures for distributing Federal cash payments to participating school districts.

4. In many situations, the small and medium size school districts, as well as individual private schools, would be deprived of the opportunity to receive USDA foods even if they so desired.

It is our firm conclusion that over time the "cash in lieu of commodities" option would mean the dissolution of the commodity program. In a letter dated April 26, 1977 to Congressman Carl Perkins, USDA Secretary Bergland pointed out that the cost of the American taxpayer would increase by more than $156 million if there were no distribution outlets for price support and section 32 surplus commodities.

My second major point deals with the matter of State administrative expense funds. S. 1420 would amend Section 13 of the Child Nutrition Act in order to establish an orderly system for determining the amount of Federal funds each State would receive annually for the purpose of assistance in administering and supervising the school lunch and child nutrition programs.

I wish to emphasize three major features of this amendment:

First, the amount of Federal funds involved would be extremely small in relation to the broad scope of administrative responsibilities which States have been required to assume under Federal legislation.

Second, the amendment would require the USDA to establish State staffing standards to insure that only qualified personnel would be employed with Federal funds.

Thirdly, no State would be permitted to reduce its present level of State expenditures for administration of these programs because of receipt of additional Federal funds. I will be glad to respond to any questions on this amendment. There is a critical need to upgrade the quality of administration of these major programs which reach into virtually every community in the nation.

My last major point deals with section 8 of the bill, which would establish a nutrition information and education program designed to implement and increase the nutritional benefits of the school lunch and child nutrition programs.

Mr. Chairman, we have talked for too many years and we have talked too long of the need for this type of program without doing anything to even make a start or even a minor beginning. One expert after another in the field of child nutrition has come before Congressional committees to plead for help in combat-

ting the dangers of malnutrition and poor health through a nutrition education program. These views would be echoed by every school lunch manager and school food service worker across the country. They see, as a practical matter, day by day and are concerned about the dietary habits of many of our school children.

We must provide a practical system under which education personnel and food personnel work together to see that the theory of good nutrition taught in the classroom becomes a practical application in the school cafeteria. I believe that this bill will accomplish such a purpose.

Mr. Chairman, I could go on for at least another hour on this issue. Let me conclude by saying simply this:

I have been closely associated with child nutrition programs for about 20 years, both as a USDA home economist reviewing individual school lunch programs and as Director of these programs for the State of Georgia.

Out of this experience, I do ask—give us the chance, give us the tools and limited funds to make a beginning toward improving the nutrition knowledge and diets of our nation's children. In so saying, I know that I speak for thousands upon thousands of school food service dedicated individuals across the country.

As a final note in this area, I would like to express a degree of concern over certain technical provisions of section 8:

Subsection (b) of section 8 refers to grants to State educational agencies under the program. However, subsections (d)(3) and (d)(4) refer to grants by the Secretary of Agriculture to State agricultural and mechanical colleges as well as State educational agencies. In my view the grants should be made to State educational agencies with authority to contract with other agencies or in situations in furtherance of the program.

Secondly, I believe that there is a need for clarification of subsection (l)(1) of the bill. This subsection simply provides that "a state shall appoint a State co-ordinator for nutrition education." It does not specify what agency in the State has authority to appoint a co-ordinator.

As to other provisions in the bill, I would like to make the following brief comment:

Without going into detail, I agree with the proposed amendments to strengthen and tighten the administration of the summer food program.

I agree also with the amendment on the non-food assistance program except that the 33⅓ reserve provision should not be continued for more than two years. S. 1420 would continue this provision until the fiscal year 1982.

Section 4 of S. 1420 calls for a modification of the free milk provision of the Special Milk Program. This provision has caused serious administrative problems for local school districts, especially because it raises almost insurmountable problems in avoiding the identification to their classmates of children receiving free lunches. In addition, particularly in the elementary grades, this provision can result in food waste when a second bottle of milk with the full lunch is more than the smaller children can consume.

Mr. Chairman, this concludes my testimony. I will be glad to respond to any questions.

STATEMENT OF HELEN D. ULLRICH, EXECUTIVE DIRECTOR, SOCIETY FOR NUTRITION EDUCATION, BERKELEY, CALIF.

I appreciate the opportunity to speak about the importance of including the nutrition education bill as part of the total National School Lunch and Child Nutrition Act. My name is Helen Ullrich. I am the executive director of the Society for Nutrition Education. Our society has about 4,500 members who are professionally trained in a variety of specialities, all related to nutrition education.

The membership includes trainers of teachers at the college and university level; home economics teachers; school food service supervisors; cooperative extension workers; health educators; dietitians; clinical nutritionists; doctors; nurses; dentists; and communicators. The membership represents a spectrum of professions who have a common goal to promote nutritional well-being for all people through education, communication, and education-related research. My comments reflect the common concerns of our diverse membership.

I am also the editor of the Journal of Nutrition Education which was started at about the time the White House Conference on Food, Nutrition and Health was held in 1969. Since that time, the Journal's content has reflected the tremendous growth of interest and concern about nutrition education.

If there is a question as to why funding is needed for nutrition education programs in the schools, I suggest we look at the record. The Senate Select Committee on Nutrition and Human Needs during this past year has held hearings on diet-related diseases and dietary goals for the United States. Throughout those hearings the facts of poor dietary choices costing the American public millions of dollars in unnecessary medical bills were brought out. There is a high sugar consumption causing dental caries. There is a high percentage of obesity in the population caused by overeating. Often this triggers the onset of other diseases such as heart disease. There is presently the suggestion that there may be a dietary relationship to mental development and hyperactivity in school-age children. Whatever the results of this research show, the fact remains that malnourished children won't grow to their physical and mental potential. All of these factors indicate that besides having food available, learning good eating habits at an early age is crucial.

It has been shown that the provision of food alone in school feeding programs is not the answer. In a recent study of school lunches in Chicago, it was found that children left food containing as much as 50 percent of the calories served on their plates even though the total calories content of the meal was not high.

In a study in California, it was shown that two-thirds of the food left on plates were fruits and vegetables, the very foods which contain the nutrients—vitamins A and C, iron and others—so often lacking in the diets of many Americans.

It becomes crystal clear that we must reach children as early as possible with a nutrition education program. As their nutrient needs change through the years as well as their capacity to learn, there should be a continuing education program.

There have been pilot projects in nutrition education that show it can make a difference. For example, one California project showed plate waste could be lowered by 18 percent. Just think what that would mean to one total school lunch program. If one billion dollars is invested in food for the total U.S. program and presently one-fourth of it is left uneaten, this results in $250 million in the garbage pail. If that could be reduced by approximately 15 percent through education, the saving in waste would be $37 million . . . more than the price tag on this bill.

Because of my deep concern about providing more effective nutrition education for school children, I am pleased to have the opportunity to speak to you about the parts of the National School Lunch Act and Child Nutrition Act Amendments pertaining to nutrition education. This bill provides a means by which nutrition education can be effectively implemented in the classrooms of the nation.

First, the bill provides for nutrition education coordinators in each state. We would expect that they will have training in nutrition and education and would be responsible for identifying and training persons who could carry on nutrition education in the schools. Additionally, they can be coordinators of nutrition education resources in the state and the communities.

A nutrition education program should not be superimposed upon programs already filling the school day. It should be an integral, sequential program which would include the lunchroom as a learning laboratory.

The phases of the bill include preservice and inservice training for teachers and school food service personnel, development of curriculum, innovative programs and educational materials, nutrition coordinators in state departments of education, and at least one resource center where materials can be collected and reviewed and used by educators and school food service personnel.

Second, the bill provides the opportunity for land grant colleges and other educational centers to develop educational materials and provide training programs for school food service personnel, who provide food for the children, and classroom educators, who provide information and motivation to the children to choose an adequate diet.

Third, the bill calls for a backup resource. It is hoped that the center, Food and Nutrition Information and Education Resources Center, can effectively provide information on training and curriculum development to those who are carrying on programs around the country.

The report "Dietary Goals for the United States" points up the fact that segments of our population, left to choose foods without sufficient nutrition knowledge and guided only by food advertising, will not choose a diet in the best interest of their health. To correct this, a vigorous education program is needed to inform all segments of the population about the benefits of eating a sound

diet. There is not a better place to start than with the school population of 45 million.

Nutrition education is more than stating the four food groups or telling people they should follow the dietary goals.

Dr. Philip White, Director of the Foods and Nutrition Department, American Medical Association, stated in a recent article, "Nutrition education is involved with value-setting, procedure for evaluating goals for one's life, establishing a risk-benefit relationship of life's challenges."

In other words, it's more than providing information, education and motivation. It's the whole support system of parents, teachers, and food providers, which include school lunch workers. And it is possible to pass laws which assure that all children are provided a good variety of food from which to choose. Laws can also provide that certain foods and products can be excluded from the school premises.

But it is impossible to legislate what our children will or will not eat. Each person makes his or her own choices based on a multitude of factors. We can only provide the best resources for knowledge of how to choose and a basis on which to make choices.

However, this education cannot take place until there are teachers who are equipped to teach the subject. For this reason, there is great need to have preservice and inservice training for both educators and school food service workers. This is not a new idea. There are some facilities already doing this and there have been some pilot projects to provide guidelines. Some land grant colleges have carried out workshops for elementary teachers. The Pennsylvania State University is a good example of a coordinated, three-pronged education program.

Penn State has a program of going out to school districts to train people who can fulfill a nutrition education leadership role. These are teachers from several schools in a district and they, in turn, train other teachers.

Secondly, they have a summer program of continuing education for teachers which includes basic nutrition training and then a course on how to teach nutrition. Credential credits are given.

Third, they have preservice training in nutrition for teachers, students in early childhood education programs are required to take a course in nutrition and it is recommended for science and elementary teachers. Additionally, there is a one unit course as a physical education option. That course had an enrollment of 1,200.

Among the pilot projects that have been done, about six years ago there was a series of pilot nutrition education workshops for school lunch directors, but this was a one-time project.

Many states have programs via the Cooperative Extension Service. For example, in California, extension workers in several countries have worked with health and physical education coordinators in certain school districts to put on workshops for elementary teachers. Attendance has been 500 to 600 on a Saturday. Another workshop for the non-professional noontime supervisors of lunchrooms drew 600 people, also on a Saturday. The people in the schools are eager for help.

It would require a minimum of funds to gear up these programs to serve nutrition education needs. The coordinator at the state level would coordinate the often fragmented and sometimes ineffective attempts at nutrition education by some teachers who are concerned about nutrition but who do not have the right information. There have been some recent community efforts such as Dairy Councils and Extension Services which could be more effective if integrated within a total nutrition education program.

Unfortunately, there are presently very few states with nutrition education coordinators. In fact, when our society surveyed the 50 states in 1975, we found only 10 with coordinators. Massachusetts is an excellent example of what can be accomplished with a state staff of three coordinators.

In order to have adequate programs, there must be adequate resource materials. This means funds to develop the material. SNE evaluated nutrition education curriculum guides for K–12 and identified more than 90 guides. Most of them were prepared with a minimal budget and had limited distribution. Because of the great variations in teachers, students and programs in our schools, there is need for extensive research on innovative curricula and a range of teaching materials. (Here are two examples of successful teaching materials).

There is a need for possibly several . . . and certainly at least one . . . centers where materials would be obtainable and current food and nutrition mate-

rials would be collected and evaluated. This bill calls for strengthening the already established center in the National Agricultural Library. It would be hoped that eventually there would be resource centers attached to training centers. At present I know of two collections and resource training centers: one is at Penn State and the other is the National Nutrition Education Clearing House supported and operated by the membership of the Society for Nutrition Education and used as a training center for students in the San Francisco Bay Area.

Various studies and surveys and conferences and meetings have shown that there is a potential for effective nutrition education in the schools. In many cases, the facilities are in place and professional expertise is available. But the funds to operate effectively do not exist.

When children have access to information and are motivated concerning food choices, plate waste is reduced. the children are healthier and better able to learn, and are laying a foundation for health in the adult years. That is our goal and the reasons for nutrition education programs in the schools.

STATEMENT OF ROBERT W. GRANT, JR., CHAIRMAN OF THE BOARD, GRANT GROCER COMPANY, SAGINAW, MICH.

Mr. Chairman and members of the subcommittee, I am Robert W. Grant of Saginaw, Mich. I am Chairman of the Board of the Grant Grocer Co. We are food distributors in the State of Michigan and part of SYSCO Corporation. Our company has been serving the school systems of our area assisting them in their efforts to serve nutritious and appetizing Type A lunches for over two decades. I have seen both sides of the school lunch program—as a businessman and as a member for 12 years of the Saginaw Board of Education.

Our company has been a member of the National Frozen Food Association for 28 years, headquartered in Hershey, Pennsylvania. I am a past president of this organization and presently serve on its Government and Industry Relations Committee. For your information, this association is made up of 1300 food industry members including packers, distributors, brokers, warehousemen, suppliers and others involved in what we believe is the most efficient system of food distribution in the world.

I am pleased that I happened to be in town this week and learned of the Subcommittee's hearings on oversight for the various child nutrition programs, particularly those authorities which expire in September of this year. You will note in your files that another member of the food industry filed a letter with the Committee some 4 to 6 weeks ago requesting to be heard on these matters. I also am aware that the National Association of Meat Purveyors sought time on your witness list to present its views on the subject. So, it is with the burden of knowing that I probably will be the only spokesman for the food industry you will hear that I would offer you some general observations and suggestions about these programs.

At the outset, I want to make it clear that the food industry in general and myself in particular support the concept and objectives of the National School Lunch Program and other feeding programs administered by the Department of Agriculture.

However, we do believe that the Department needs to make a substantial effort to improve nutritional education and make better meal planning guides available to local food service personnel. Therefore, the comments I offer you today are designed to help improve the lunch program—not tear it down.

The major authority affecting the National School Lunch Program expiring in September, and the one with which I am concerned, provides the USDA with the ability to use Section 32 surplus removal funds and section 416 price support funds to buy food for the lunch and other programs at "market prices" in the event that there are not sufficient surpluses or price support commodities available to meet the per lunch value of donate commodities specified by law. I would urge that the subcommittee review the Department's own figures on the use of this authority. They show it has not been utilized over the last three fiscal years. The record shows that the Department has purchased over $1 billion in commodities under the Section 32 and 416 authorities in the last three fiscal years. Of this total, only $13.5 million has been bought utilizing the

market price purchase authority which expires September 30. About $12 million of this total was bought in fiscal year 1976 and none so far in fiscal year 1977.

I believe it makes better sense for the USDA to provide local school lunch program operators with the cash to buy their own food at "market prices" when a situation occurs where there are insufficient commodities available under the surplus removal and price support programs. Possibly, these local food service operators are better able to judge to needs and likes of their customers than the USDA in Washington.

Members of the subcommittee have no doubt had the opportunity to review and study the recent report of the Government Accounting Office to the House Education and Labor Committee on, "The Impact of Federally Donated Food on the School Lunch Program." It is interesting that the cover letter to the report concludes that these programs are operating effectively while there is not one bit of evidence in the report to lead one to this conclusion.

The food industry has felt for many years that there is a better way to do the job. We have suggested a cash in lieu of commodities approach as is now operating effectively in Kansas for the lunch program. We have also suggested a designated commodity voucher option. We have not and do not advocate changes which would eliminate the surplus removal and price support operations of the USDA.

The State of Florida has recently indicated it wants to participate in such pilot studies as have school districts in the States of Ohio, New York, California, Kentucky, and Pennsylvania as well as the territory of the Mariannas. More school districts want a piece of this action every day. These letters are on file with the House Education and Labor Committee and I am sure they can be provided to you for review. I will get them for you as well and will also provide you with copies of the Kansas State University Study in the next day or so.

These letters will show you that all is not well with the business as usual approach to the lunch program. They will show you that there are numerous school districts and local school lunch directors who are looking for ways to run a better program. These letters show you that there are local school lunch directors who want to be a part of a real in-depth look at the cash in lieu of commodities approach and other options to see whether improvements can be made that will benefit their programs and the nutritional requirements of the school children.

I would like at this point to explain briefly one example which I have developed from my own area in Michigan which may help explain the desire of local school lunch directors in some areas to look for a better way.

I would urge the subcommittee to adopt an amendment to the legislation you report to the full committee calling on the USDA to conduct pilot projects such as those I have outlined here. The USDA indicates that it plans an intensive review of all the child nutrition programs in the next year so that legislative improvements in the programs can be suggested for your consideration. In order to help this effort, I would urge you to provide for the pilot studies by adding the following language to the bill:

> Nothwithstanding any other provision of this act, the Secretary shall carry out pilot projects in local school districts or states designed to determine more effective methods of operating such programs which will result in improved delivery of benefits thereunder in accordance with the purposes of this act. Such project or projects shall include experiments in providing to schools or states participating in a pilot project the option of receiving all or part cash assistance including vouchers for designated commodities under this act for the school lunch programs operated in such states or schools.

Thank you Mr. Chairman and members of the subcommittee for the opportunity to present my views to you on this very important matter.

To: All cafeteria managers.
From: Food service office.
Date: November 15, 1976.
Subject: Milk prices—Government surplus costs.

Upon receipt of this memo please charge 0.0920 per ½ pt. carton of milk. Milk was reduced 0.0012 per ½ pt. carton and not 0.0010 as indicated in the memo sent out November 4, 1976.

Below is a new listing of prices for government surplus (it is a more complete list than the previous list sent to you).

Great northern beans 25-lb. bag	50 cents per bag.
Frozen chicken 30-lb. case	$1.80 per case or 0.06 per pound.
Frozen ground beef 55-lb. case	$3.30 per case.
All canned vegetables and fruits packed 6 No. 10 cans are	84 cents per case.
All frozen vegetables are (packed 30-lb. cases)	$1.20 per case.
Frozen french fries 6/5-lb. pkgs	$1.20 per case.
Frozen orange juice—12/32-oz. cans	96 cents per case.
Frozen turkey	Not sure yet.
Turkey rolls 40-lb. case	25 cents per pound.
Salad dressing 4 gallons per case	Not sure yet.
Natural cheese	$1.64 per case.
Processed cheese 6/5-lb. case	$1.20 per case.
All-purpose flour 50-lb. bag	$1 per bag.
Margarine 30/1-lb. per case	5 cents per pound.
Dry milk 50 lb. per bag	$1 per bag.
Peanut butter 6 No. 10 cans per case	84 cent per case.
Roasted peanuts	84 cents per case.
50-lb. bag of rice	2 cents pound, $1 per bag.
Butter	$1.60 per case.
Raisins 30-lb. case	$1.20 per case.
Canned beef	96 cents per case.
Shortening	6 cents per can.
Peanut oil	20 cents per gallon.
All 29-oz. cans	4 cents per can.
All No. 10 cans	14 cents per can.
All 32-oz. cans	8 cents per can.

During the period of September 1976 to April 1, 1977, the Saginaw, Michigan Public School District received 28,325 pounds of Ground Beef, packed in 55 lb. bulk which was shipped to Durkees Freezer Queen Division in Buffalo, New York for further processing. Here is what transpired:

	Amount (per pound)
Average cost of beef, FOB Wisconsin (1)	$0.70
Freight from Wisconsin to Saginaw (1)	.02
Unloading, storage and delivery to schools (2)	.06
Purchase credit to schools by Durkee (3)	.65
Freight Saginaw to Buffalo (3)	.03
Freight Buffalo to Saginaw (4)	.03
Ground beef plate sold back to grants (4):	
Plate cost, $0.3445 each.	
Foil Plate, $0.0345.	
Cooked beef patty, 2 oz. $0.20 or	1.60
French fried potatoes, 2-oz., $0.0325.	
Roll 1½-oz., $0.0475.	
Freight, $0.03.	
Grant sells back to Saginaw schools at cost	1.60
Distribution charges paid Grant by Durkee, $1.20 per case or 3 cents per dinner. Meat is 67 percent of contents	.02
Total dollars expended in putting lunch on table exclusive of serving and preparation costs	4.71

Comparable delivered dinner cost through normal channels

	Type A with soya
Foil Plate	0.05
Bun	.05
Type A, 2 oz. cooked beef patty ($0.74 per pound)	.0925
2 oz. french fried potatoes	.04
Total cost	.2325

91-647—77——7

Comparable delivered cost through normal channels—Continued

	Type A with soya
Normal channel cost to schools (per pound)	.74
Commodity distribution charges (per pound)	.06
Net extra costs to schools (per pound)	.68
USDA cash subsidy in lieu of commodity	.68

1. The Saginaw district is at the same dollar basis.
2. USDA would save 0.04 lb or $1,113.
3. If USDA cash subsidy remained at 0.72 as with commodity program, schools would receive 0.04 lb or $1,113, enough to actually purchase 1,500 lb of additional ground beef.
4. The movement of product would equal or exceed that under commodity program.

Ground Beef:	
Normal cost to schools	.74
Commodity cost:	
Local distribution	.06
2-oz. lunch	1.60
Total	1.66
Credit for beef	.65
Total	1.01

STATEMENT OF HON. CAROL TUCKER FOREMAN, ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES, U.S. DEPARTMENT OF AGRICULTURE

Mr. Chairman and members of the subcommittee, I am pleased to have this opportunity to meet with you to discuss the Summer Food Service Program for Children, and several of our other child nutrition programs. Let me at the outset affirm the Department's support for the objective of the Summer Food Service Program for Children. That objective, as we know, is to protect the health and well-being of needy children by continuing during the summer months the food assistance they receive during the school year through the school lunch and breakfast programs.

The summer food program has encountered some serious problems in recent years. There is no question that there have been abuses.

We have been hard at work on this matter, and on March 1 published regulations that represent a significant overhaul of this program.

The new regulations are specifically designed to tighten program administration and minimize the problems we encountered last summer.

The new regulations provide much stricter control over approvals of sponsors, and over the operation and monitoring of the summer program at all levels. The changes we have made in the new regulations include:

States are directed to deny the application of any sponsor that ran the program in any previous year and was seriously deficient in its operation.

States are also directed not to approve sponsors who do not provide an ongoing year-round service to the community, except in the cases of residential camps, programs for children of migrant workers, and instances where no program would otherwise be available to provide food to needy children.

Where competing sponsors apply to serve the same area, States must give priority to sponsors operating only one site, to sponsors preparing meals on-site rather than those using vending companies, and to schools. Priority will *not* be given to private organizations proposing to run large programs and to secure meals through private vendors.

States are responsible for closer examination of sponsors and sites before approving them. In cities with public school enrollments of over 75,000 (the areas that have witnessed the greatest problems in recent years) States are required to visit every non-school site in the city before approving such sites.

Sponsors receiving over $50,000 in program funds must hire an independent CPA to conduct an audit of their operations, and must present the audit to the State before they can receive final settlement of claims for reimbursement. In the case of sponsors receiving less than $50,000, the State must provide for the audit itself.

States are directed not to approve any site to serve more than 300 children a day, unless State personnel inspect the site and determine that it can accommodate the service of more than 300 children in a well-managed fashion.

States are also required not to approve any sponsor to operate more than 200 sites, or serve more than 50,000 children, unless the sponsor demonstrates to the satisfaction of the State that it is capable of managing a program of that size without jeopardizing program integrity.

States must work with sponsors to develop specifications for the quality of food served.

A variety of changes are made in bidding procedures to prevent collusive bidding. States are required to develop standard contracts which sponsors contracting for food service must use. Sponsors must submit to the State for approval their plans for, and synopis of, their "invitations to bid." All bids totaling $100,000 or more and all bids that exceed the lowest bid by more than 2 cents per meal must be submitted to the States for approval before the bids can be accepted. The State must be present at the opening of all bids for large contracts. Vendors must obtain bid bonds and performance bonds.

The changes should make a substantial difference. However, we do not feel they are sufficient to resolve all of the issues regarding this program. Some issues need legislative changes. We would therefore like to present to the Committee the Administration's proposals for a number of legislative alterations in the summer feeding program and for extension of the program through fiscal year 1978. The changes we are proposing are designed to tighten up the program.

There are two reasons why we are suggesting only a 1-year extension at this time. First, we would like to study very carefully this summer's program in order to ascertain the impact of our new regulations and to determine what further changes beyond those we will be discussing here today may be needed. In addition, we plan to undertake a review of all of our child nutrition programs, and to develop the Carter Administration's strategy for the direction the child nutrition area should take.

Based on the results of our study of this summer's program, and our review of the child nutrition area in general, we will develop legislative proposals for presentation to the Congress next year. These proposals will be aimed at the fiscal 1979 budget year and succeeding years.

The proposals we submit for your consideration today include the following revisions and clarifications in section 13 of the National School Lunch Act:

(1) An incorporation directly into law of the provisions of the new regulations barring sponsors who were seriously deficient in prior program operations, or who cannot demonstrate adequate administrative and financial responsibility. We would also write into law the new regulation barring sponsors who do not provide an on-going, year-round service to the community, unless such sponsors are the only institutions in an area available to serve needy children.

(2) A parallel disqualification of vendors who were seriously deficient in the past or who lack adequate financial or administrative capability.

(3) A provision to prevent program dollars from going to large numbers of non-needy children at camps. Currently, a camp can enter the program and receive reimbursement for the full cost of meals served to *all* children so long as one-third of the children meet the eligibility standards for free or reduced-price meals. We would provide that camps would be reimbursed only for meals served to children who meet the eligibility criteria for free or reduced-price school meals.

(4) A provision giving authority to USDA to modify the reimbursement rate structure now written into law, if after appropriate study, the Department determines that the current rates for food service operations are too high.

(5) A similar review of the reimbursement paid to sponsors for their administrative costs. At present, sponsors can receive up to 6.75 cents per lunch for administration, and this formula can encourage sponsors to inflate the number of lunches served. We would delete the current administrative rate structure from the law, and direct instead that the Department prescribe a new rate structure after appropriate study. We wish to examine new rate structures that take economies of scale into account, and that do not encourage sponsors to inflate their meal counts. In addition, we would like to examine whether schools should be permitted higher administrative reimbursements than other sponsors.

(6) Restrictions on meal services that sponsors could provide. We would allow sponsors to serve more than one meal per day only if they have the administra-

tive, food preparation and food holding capabilities to manage a multiple meal service. If a sponsor other than a camp satisfied these criteria, we would allow it to serve no more than two regular meals plus a snack. Camps would be allowed to serve three meals plus a snack.

(7) A limitation on the amount of advance payments any sponsor may receive (except in limited circumstances where the State determines that a school or a sponsor preparing meals on-site needs a larger payment to operate the program and where the sponsor has the administrative and managerial capability to justify a larger payment). Our belief is that small sponsors running good programs for children from their community may need payment in advance but that the larger operations can get by without advance payments of the magnitude to which they are entitled under the current law. We propose to limit monthly advance payments to any one sponsor to $40,000.

(8) A modification of the formula under which States receive Federal funds with which to administer this program. Under the current statutory formula, States with a $45,000 program receive only $900 in administrative funds. States with a $50,000 program receive $10,000 in administrative funds, but States with a $500,000 program still receive only $10,000 with which to run the program. Due to the inequities of this formula, two States with moderate size programs have declined to administer the program. Other States do not have the staff they need to run the program well.

We propose a new formula instead. States would receive an amount equal to 20 percent of the first $50,000 in program funds distributed in the State the previous year, plus 10 percent of the next $50,000 in funds, 5 percent of the next $100,000 funds, and 2 percent of all funds after that. The Secretary would be authorized to adjust the amounts going to individual States to reflect changes in the size of the State programs since the previous year. This new formula would provide the greatest percentage increase for States with small programs. The total additional cost of the new formula would not exceed $500,000 per year nationwide. This subsection also directs USDA to set State standards to ensure sufficient staff for proper planning and administration and to withhold administrative funds from any State failing without good cause to comply with these standards or to carry out the approved State plan.

(9) A requirement that States register vendors. The registration process would include certification that the vendor meets health, safety, and sanitation standards, and a disclosure of any relationships between officials of the vending company and any sponsor or vendor that participated in the program in prior years.

(10) A provision that the Department set requirements for contracts with vendors, including bonding requirements, procedures for review of contracts by States, and safeguards to prevent collusive bidding.

(11) A requirement that sponsors submit their administrative budget for approval, in advance, by the States.

(12) A new requirement for the promulgation of model meal quality standards for contracts between sponsors and vendors, and for administrative actions to insure that sponsor-vendor contracts meet acceptable food quality standards.

(13) A requirement for earlier publication of regulations, handbooks, and applications to allow for better program planning.

(14) A reduction in the maximum amount of start-up funds that the current law authorizes to be provided to a sponsor—from 10 percent of a sponsor anticipated total reimbursement (which is too high) to 20 percent of a sponsor's approved administrative budget.

(15) A requirement that priority in running the program be placed on sponsors who prepare meals on-site and in schools.

(16) A requirement that State plans must include timetables for training, plans for monitoring and inspection, plans to correct violations, plans for registering vendors, plans for auditing sponsors, and appeal procedures.

(17) Tough criminal penalties for fraud in connection with the summer feeding program.

Status of summer feeding investigation

I would also like to inform the Committee that we are moving ahead with audits and investigations to uncover misuse of funds in past operations of this program. Some cases have been referred to the Department of Justice. The Office of General Counsel in USDA is continuing a thorough review of audits and investigations and, where appropriate, will refer matters to the Justice Department, and work with the Justice Department.

Moreover, last month the Secretary created an Office of Inspector General within the Department. The Inspector General will have far-reaching powers to monitor operations of the Food and Nutrition Service, and of other agencies in the Department. This office will report to the Secretary regarding findings concerning USDA food programs, including the 1977 summer feeding program.

Before moving on to other child nutrition programs, there is one additional point I would like to make. It is that while this program has had problems—and has involved some unscrupulous sponsors and vendors—the large majority of sponsors in this program across the Nation have been honest and have been doing a reasonable job. Seventy percent of all sponsors either prepare their meals on-site or at schools, and 77 percent of the sponsors have fewer than 10 sites. The typical sponsor serves only several hundred children.

These small sponsors, who include many churches, schools, settlement houses, YMCA's and YWCA's, girls and boys clubs, the Boy Scouts and Girl Scouts, the Extension Service, the Salvation Army, and other community-based agencies, are generally not the sponsors who have been making headlines because of mismanagement of this program.

Food service equipment assistance

The proposal we are presenting would also revise the food service equipment assistance program. This program provides funds for the purchase by schools of food service equipment needed for the school lunch and breakfast programs.

For the past 5 years, a portion of the funds appropriated each year for equipment assistance have been reserved for high priority uses. In fiscal years 1973, 1974, and 1975, 50 percent of all nonfood funds were reserved for use in "no-program" schools (that is, schools without any food service program for their children). The Congress had determined that bringing these schools into the school food program—and serving these children for the first time—represented the highest priority for equipment assistance funds.

In fiscal years 1976 and 1977, one-third of the equipment assistance funds were reserved. These funds could be used either to equip no-program schools or to equip schools lacking the facilities to prepare or receive hot meals. This means that a school able to serve only a cold lunch could qualify for these reserved funds.

The Department proposes that the percentage of funds reserved for high priority uses be returned to 50 percent—and that the number of schools eligible for these priority funds be enlarged. We propose that schools that are unable either to prepare and cook their own hot meals or to receive hot meals cooked in a satellite kitchen operated by the school district be eligible for reserved funds. This would mean that schools equipped only with convection ovens to heat frozen, preplated meals could qualify for reserved funds so that such schools could begin cooking their own meals on-site.

We are recommending this change because of our serious concern over the plate waste and meal quality problems in many schools where frozen, preplated meals are served.

Our proposal also provides that equipment assistance funds (both reserved and unreserved) be used only to provide equipment for cooking and preparing meals at schools (or at satellite schools or central kitchens operated by the school district) unless a school demonstrates to the State that an alternative method of meal preparation (such as a convection oven to heat frozen, preplated meals) is necessary to start a school food program, to keep a program in existence or to improve the consumption of food or the participation of eligible children in the program.

We believe that in many circumstances, it is an unwise use of Federal equipment assistance money to dismantle a kitchen used for on-site preparation and to replace it with a convection oven for heating the frozen, preplated meals.

We recognize that some States will oppose an increase from 33⅓ percent to 50 percent in the proportion of equipment funds that are reserved. However, we believe that it is proper to target 50 percent of these funds on the schools where they are most needed—the schools with no program at all and the schools unable to provide a hot meal cooked by the school or the school district.

We recognize these proposals may also meet with some opposition from the manufacturers of the frozen, preplated meals. However, we view our proposed changes as a part of an intensified Department of Agriculture effort to upgrade the quality of school lunches and to reduce plate waste.

We should add that we also intend to review the procedures under which schools are allowed to claim the depreciation of food service equipment as part of the ongoing cost of the school lunch program, and the appropriate relationship of these procedures to the food service equipment assistance program.

Commodity purchase authority

Finally, we would like to discuss the programs under which the Department of Agriculture purchases and donates commodities to child nutrition programs and the elderly feeding program authorized under title VII of the Older Americans Act. We support these commodity purchases and plan to continue them.

Section 14(a) of the National School Lunch Act is one of the several places in that act in which commodities are mentioned. Section 14(a) expires on September 30, 1977.

We propose to provide the Secretary with authority under section 14(a) to purchase with appropriated funds nonsurplus commodities for the elderly feeding program. We recommend that the Secretary's authority to use section 32 and CCC funds to purchase nonsurplus commodities, under section 14(a), for child nutrition programs not be extended for two reasons. First, we believe section 6 of the National School Lunch Act already contains sufficient legal authority for the use of direct appropriations for nonsurplus commodity purchases for use in the child nutrition program. And, second, a simple extension of section 14(a) would permit the use of permanent budget authority from section 32 for non surplus commodity purchases outside the control of the Congressional budget and appropriations process. The Department has and will continue to seek funding for feeding programs which require nonsurplus commodity assistance through direct appropriations. We believe that continuation of this backdoor spending provision would be contrary to the spirit of the Congressional Budget and Impoundment Control Act.

Comments on S. 1420

We should also like to make some comments on S. 1420. The summer feeding and food service equipment provisions of S. 1420 are substantially similar to those in the Administration Bill. There are, however, several summer feeding provisions in S. 1420 that give us some problems. We are also concerned about S. 1420's creation of two new entitlement programs in regard to state administrative expenses and nutrition education.

Among the summer feeding provisions in S. 1420 that the Administration would prefer not to see adopted are the following:

1. The establishment of a fund of $3 million a year for equipment assistance to summer feeding sponsors. Most sponsors operate summer feeding programs for only 4–8 weeks a year, and we do not feel that the Federal government should pay for equipment that will largely be used for non-federally supported programs for the remainder of the year.

2. A provision that advance payments for July be provided to sponsors on July 1. Our bill provides for these payments to be made on July 15, and we believe this to be quite significant. Since many sponsors do not begin operation until the last week in June or the first week in July, it is difficult to know on July 1 how large a particular sponsor's program will be. If advances are to be made on July 1, there is the possibility for some overpayments to occur.

3. In several areas, S. 1420 incorporates detailed provisions from our new regulations directly into law. Examples are that States must approve contracts exceeding $100,000 and audit sponsors with programs of less than $50,000. We prefer that these sort of specifics not be written into law. After this summer's experience, we might want to adjust these dollar figures up or down. The Administration bill requires that these general procedures continue, but allows the Secretary to set the specific dollar figures by regulation in the light of program experience.

4. Both our Bill and S. 1420 require a study of reimbursement rates. S. 1420 calls for the study to be completed by November 1, and to include such topics as the economic impact of the summer program on the surrounding community. We prefer that such topics not be mandated for study in so short a timeframe. We also believe the November 1 deadline is a bit too close.

5. S. 1420 does not contain a provision in the Administration Bill to limit sponsors other than camps to 3 meals a day, and camps to 4 meals a day. We urge the adoption of this provision.

State administrative expenses

S. 1420 would, over the next several years, greatly expand Federal payments to States for State administrative expenses. The expansion goes well beyond what is needed.

In fiscal 1975, States received $6.7 million. In fiscal 1977, they will receive $13.7 million. Under S. 1420, this amount would escalate to $45–50 million by fiscal 1981.

USDA's State staffing study shows that the States spent $17.5 million of their own funds for State administrative expenses in fiscal year 1975, and that States projected total need for fiscal year 1977 at about $41 million. The State estimates may be too high, but ever if they are accurate, this would indicate a need for about $23 or $24 million in Federal funds if the State contributions remained at the fiscal year 1975 level.

The administration believes that the provision in S. 1420 would result in unnecessary expense to the Federal Government, and would lead to the replacement of State dollars with Federal dollars. We recognize that S. 1420 has a "maintenance-of-effort" provision, but such provisions are extremely difficult to enforce.

The Administration does recognize that there is a need for a new funding formula for State expenses. We believe such formula should probably be on a federal/state matching basis. We do not presently have the analysis we need to propose a fair and equitable matching formula. We plan to continue our work in this area and to present such a formula next year, in time to take effect for fiscal year 1979.

Nutrition education

Finally, the administration is concerned about the nutrition education provisions of S.1420. Several weeks ago, in testimony before the House Education and Labor Committee, Secretary Bergland noted that the Department is planning to review the entire child nutrition area before next year. The Secretary requested that the House Committee, and the Senate Committee on Agriculture Nutrition, and Forestry not add any new child nutrition programs or program components this year.

We believe this is especially applicable to the nutrition education area. While the Department strongly agrees with the need for nutrition and consumer education among the American public, we are not convinced that giving $25–$30 million a year in grants to State education departments will make an appreciable difference in this area. Nutrition education is difficult to do well. An Urban Institute study on the WIC program found a considerable amount of the nutrition education conducted in that program in 1974 to be of questionable value.

The administration recommends instead that use be made of a provision of public law 94–105 that authorizes $1 million a year for pilot projects on nutrition education in schools. The past Administration failed to request any money for such pilots, and no money has ever been appropriated. The Department is now planning the development of a request in the very near future for the $1 million for fiscal 1978. We believe we should do some basic work in this area before mandating that substantial sums of money be provided to States for nutrition education activities whose effectiveness may be largely untested.

In addition, the new administration needs to study ways to improve and coordinate the nutrition education activities of the various Federal agencies currently involved in nutrition education. We believe this work, plus the pilot projects, should precede the launching of such a major initiative as S.1420 envisages.

Finally, we should note that S.1420 would establish the new nutrition education program as an automatic entitlement program, outside of the control of the Congressional budget and appropriation processes.

We thank the subcommittee for the opportunity of appearing here today, and look forward to working with the Chairman and its members in the coming months.

STATEMENT OF THE NATIONAL EDUCATION ASSOCIATION

Mr. Chairman, members of the committee, the National Education Association thanks you for this opportunity to participate in the hearings on child feeding programs.

Our testimony today is on S. 1420. Its extension for 5 years is of great concern to the members of the National Education Association. We support the National School Lunch Program for all youngsters. Whether children are rich or poor we want them to have a nutritionally balanced lunch at an affordable cost because we realize the day-to-day difficulties of working with hungry children. A natural outgrowth of this concern is the summer feeding program. It stands to reason that a child who is hungry is more than likely hungry the year around, not only during the school year.

Briefly, these are our major concerns as we look at the school lunch programs today. Our experience during the past winter shows what is in store for us. A third to a half of the country has been hurt or crippled by winter, with its snow, freezes, and accompanying fuel costs. The areas of the country which were not frozen out are being dried out. The drought west of the Rocky Mountains is causing not only crop failure but also the possibilities of widespread water rationing. With the approach of summer, the specter of drought worsens. Winter wheat along with inches of topsoil has been literally blown into the Sea of Japan. Farmers in those areas are retelling stories of the dust bowl of the 1930's. We speak of these things because they greatly increase the cost of food, and hence the cost of child-feeding programs.

Not only is there less money for families to meet needs at home, but there is less money to take to school. A situation such as we have now hurts not only the truly poor but also the children whose families fall into the great median income range.

We may need to lengthen the school day or change classroom schedules in order to provide time for children to eat. A child who eats under stress is not much better off than one who is hungry. Some children do dawdle, but many children pick up a tray, eat, return their trays and are outside on the playground in 10 minutes.

Children, particularly younger elementary age children, need supervision when they eat. We feel that this is a function which can be adequately filled through the use of part-time aides or lunchroom hostesses. Some school districts already use part of their aide-time this way. The results have been generally satisfactory.

Children must be taught the facts of good nutrition. This is a subject which can easily be addressed in the classroom. Obviously, if we want children to begin to choose decent food over junk food, we must make them aware of the differences.

Secondly, we should not offer them junk. To do so undermines and gives the lie to what we are telling them. Vending machines should either be removed or reprogramed to dispense something in keeping with our teachings. There is no point in telling a child to eat fruit and drink milk and then offering chips and colas.

We feel that a knowledge of nutrition combined with attractive meals would help immensely in cutting back on plate waste. Under the heading of attractive meals, one does not find fresh-frozen, reheated pre-paks. The foods presented in this way are usually not only unattractive but often downright unpalatable. The schools should not be training stations to prepare the citizens of tomorrow for a total lifetime of TV dinners served on tinfoil. On-site preparation of meals is greatly to be desired. A focal point of this bill should be to substantially increase the level of authorization of appropriations for food service equipment and for its repair.

Appropriately funded, this could remedy a problem which has been mentioned in both the House and Senate during the hearings. It would cut down on food waste, offer more acceptable choice and quality of food, provide a few jobs to help recirculate the money invested, and cut back on the possibility of abuse by vendors.

We realize that this runs into money. One other area in which money is needed is that of administering the program. The special study and report on administrative funding levels which OMB was directed to conduct by March 1, 1976, is still unpublished and unreleased. The information which Public Law 94–105 directed OMB to collect has been collected. However, under this proposed legislation, state agencies will know what their level of funding is to be. They may need to add or lay off staff and with the passage of this legislation, they may do so with equanimity.

The NEA recommends a combination of commodities and cash. While the very large districts may be able to attain rough parity with USDA prices through

the amounts of food which they may purchase wholesale, this is not possible for the smaller districts which make up the great majority, nationwide.

We commend the Food and Nutrition Service on the alacrity with which it has devised its new system "whereby school districts may select the precise two-week shipping periods that best meet their needs," and secondly, on its determination to "eliminate future procurement of limited appeal commodities." This action will greatly relieve pressure on states and on individual school districts. They will no longer be in the position of taking, or being charged for, items which they neither need nor desire and, with two-week shipping periods, there will be less need for storage and less chance of stored items spoiling before being used. We believe that this will lower the cost of providing commodity-based lunches (based on constant dollars).

Mr. Chairman, members of the committee, the National School Lunch Program has made outstanding contributions to the well-being of the children of this Nation. By implementing some of the suggestions which have been made during these hearings in the 95th Congress you have the opportunity both to ensure that it continues to do and also that it do so more efficiently.

Thank you.

[Additional material submitted by Senator McGovern.]

AMERICAN DENTAL HYGIENISTS' ASSOCIATION,
Washington, D.C., May 23, 1977.

Hon. GEORGE MCGOVERN,
Chairman, Select Committee on Nutrition and Human Needs,
U.S. Senate, Washington, D.C.

DEAR SENATOR MCGOVERN: The American Dental Hygienists' Association's Committee on Governmental Relations and the Regional Legislative Consultants were most appreciative of the efforts of your legislative assistant, Lori Hansen, to brief them on the contents of S. 1420, a bill to amend the National School Lunch Act and the Child Nutrition Act of 1966.

Our representatives were pleased to learn that an Association statement supporting this legislation could still be transmitted to you and members of the Select Committee on Nutrition and Human Needs and to your colleagues on the Senate Committee on Agriculture, Nutrition and Forestry.

An Association statement on S. 1420 is enclosed, and I respectfully request that it be included with the record of testimony received by your committee.

Very sincerely,

BEN F. MILLER, III,
Washington Consultant.

Enclosure.

STATEMENT ON S. 1420 TO AMEND THE NATIONAL SCHOOL LUNCH ACT AND THE CHILD NUTRITION ACT OF 1966

The American Dental Hygienists' Association appreciates this opportunity to comment on the National School Lunch Act and Child Nutrition Act of 1966 Amendments of 1977. We have followed with great interest the progress of the Senate Select Committee on Nutrition and Human Needs in their efforts to call attention to the risk factors in the American diet. The development of national dietary goals is basic to attainment of an adequate level of nutritional health in the United States. In our view, S. 1420 is a practical step toward meeting these goals; it combines comprehensive nutrition education with existing food service programs for children.

Nutrition is an essential component of health care. The application of nutritional principles through dietary instruction and guidance is one of the primary preventive services that should be included in any national health program. Maximum benefit can be derived from programs which are basically preventive in nature. The "Nutrition Information and Training" section of S. 1420 represents such a program.

By virtue of their basic educational preparation, dental hygienists are sensitive to the nutritional needs of people; they are equipped to recognize malnutrition and to participate in corrective measures by providing nutritional health instruction and guidance to individuals and groups. Rampant dental decay is one manifestation of poor nutrition and frequently periodontal disease can be attributed

to malnutrition as well. Dental caries control programs emhasize a decrease in consumption of fermentable carbohydrate, sugar-containing foods, and an increase in detergent foods for chewing. Both factors contribute to basic nutritional needs.

Education of the public is essential. The American Dental Hygienists' Association concurs with the position of the American Dental Association to support efforts that will provide nutritional information to the consumer by requiring food product labeling of percentages of ingredients. We further support education of the public on harmful aspects of sugar-rich products advertised through televison, radio, print and other media. The Association has encouraged dental hygienists within the states to contact school administrators and governmental officials, urging them to protect both dental and general health of students by eliminating the sale of sweetened beverages and sugar-rich products in composition with the nutritional foods available through school programs.

Implementation of the plans set forth in S. 1420 will provide a major thrust to our efforts to educate children and their parents in an area so essential to good health. Dental hygienists are prepared to participate with representatives of other concerned disciplines in the states in the formulation and provision of nutrition education programs.

The American Dental Hygienists' Association is pleased to support enactment of S. 1420 and urges positive action by the Congress.

AMERICAN DENTAL ASSOCIATION,
Washington, D.C., May 24, 1977.

HON. GEORGE MCGOVERN,
Chairman, Subcommittee on Nutrition, Agriculture, Nutrition and Forestry Committee, U.S. Senate, Washington, D.C.

DEAR SENATOR MCGOVERN: The American Dental Association is pleased to have this opportunity to comment on S. 1420, the National School Lunch and Child Nutrition Act of 1966 Amendments of 1977, particularly section 8, Nutrition Education and Training.

The Primary purpose of section 8 is to develop a system of grants to State educational agencies for the nutritional training of education and food service personnel and for conducting nutrition education activities in schools and child care institutions eligible under the School Lunch and Child Nutrition Acts. In developing this program the Secretary of Agriculture would consult with appropriate Federal agencies, and nutrition, public health, home economics, school food service institutions, and other interested groups and individuals concerned with the formulation of such a program.

The American Dental Association supports this provision, and would recommend that the Association be consulted when this program is formulated. Since 1953, the Association has had a policy directing state and local dental societies to call to the attention of school administrators the need for desirable dietary habits as a way to reduce the incidence of dental caries. The dental health of children has been a high priority of the Association, since learning patterns are formed in childhood that will influence the quality of adult life. It is during these formative years that 80 percent of all tooth decay begins, and the relationship of poor nutrition to dental disease has been well established. It is our belief that a cooperative effort between dentists and educational personnel in developing and promoting good nutritional habits in school-age children can lead to a reduction in the most common, yet most preventable, disease known to man—dental caries.

In addition, the Association has recommended the removal of sugar containing products from school vending machines, which are sold in competition with nutritional foods provided in school food programs, as one way to discourage children from becoming dependent on sweets. To permit the sale of so-called junk foods in school vending machines during the lunch hour, in our opinion, merely serves to defeat the purpose of the school lunch program. Therefore, we support the inclusion in S. 1420 of the language contained in S. 1436, introduced by Senator Clifford Case.

The Association also supports the establishment of a Food and Nutrition Information and Education Resources Center within the USDA National Agricultural Library. In recent years, the A.D.A. has developed dental education mate-

rial, which it supplies to interested schools and teachers, dealing with the relationship of good nutrition to good dental health. A central repository for all nutrition education material would greatly enhance the value of current nutrition education programs by providing a cohesive program from which each state educational agency could draw.

Dental disease is the most common disease, yet it is one of the few diseases that can be prevented or controlled. The establishment of good nutrition habits is one way to prevent a high incidence of dental caries and periodontal disease. The Association is pleased with your efforts to focus attention on a serious problem that can be resolved, and would recommend that dental nutrition information be included as part of the nutritional education information provisions in S. 1420.

Sincerely,

WILLIAM E. ALLEN, D.D.S.,
Chairman, Council on Legislation.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D.C., April 26, 1977.

HON. CARL PERKINS,
Chairman, House Education and Labor Committee, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: At the hearing before the Subcommittee on Elementary, Secondary, and Vocational Education last week, I indicated that we would give further consideration to the future use of commodities by schools. I am writing to share with you the results of our deliberations.

First, a large-scale substitution of cash for commodities could have a substantial impact on the Federal budget. Many of the commodities distributed to schools are commodities purchased under price support or surplus removal operations. To provide schools with cash in lieu of these commodity food items would mean that the American taxpayer would pay twice—once for the Federal purchase of these items, and a second time for cash in lieu of these items. Failure to distribute these commodities would also add to USDA storage costs.

In fiscal year 1976, the following mix of commodity funding was used.

	Million
Section 6	$80
Section 32	186
Section 416	156
Section 14	12

Of the above categories, section 416 items represent commodities that have been acquired by the price support operations. In addition, a portion of the commodities purchased with Section 32 funds were perishable commodities that had to be purchased under the operations of Section 32 due to a temporary surplus condition.

The first point, therefore, is that any consideration of the substitution of cash for commodities should be limited to commodities that are not acquired under USDA price support or surplus removal operations.

We recognize that there has been concern on the part of some schools concerning the commodity program. The recent General Accounting Office report on the commodity program found commodities to be generally useful for schools but criticized the Department and more particularly, the State for inadequate consideration of local school needs in distributing types and amounts of commodities. We believe that the commodity program has not worked as well as it should have. I am personally committed to improving the operation of USDA food programs, and am determined to make the commodity program work better and be more responsive to local needs.

We are aware that part of the problem may also be that the Department may have been sending more commodities to schools than the schools can handle effectively. Section 6 of the National School Lunch Act requires us to provide at least 75 percent of the annually programmed level of commodity assistance for schools in the form of commodities rather than in cash. In recent years, the Department has been providing at or near 100 percent of the programmed level

in the form of commodities. We will consider the purchase of a lesser percentage of commodities in future years.

I should note that the Department will in coming months be conducting a review of all child nutrition programs and endeavoring to chart a course for their future direction. We will undertake a thorough examination of the commodity program as part of that review.

We are aware of the interest of some members of the committee in possibly substituting cash for commodities. We would be willing to undertake pilot programs that allow schools participating in the pilots to select cash in lieu of commodities for those commodities that are not price support or surplus items. We do have concerns, however, about moving to a nationwide cash-or-commodity option that permits all schools the option of replacing all commity items with cash.

We are concerned that if a number of large urban school districts in a State opted for cash, the remaining, smaller school districts might be unable to support the State commodity distributing agency. If the State agency closes down, USDA might be required to provide cash-in-lieu-of -commodities for all commodities previously delivered in the State, including the surplus items. This is currently the situation in Kansas.

Secondly, we are concerned about food quality. USDA specifications require that commodity items purchased be of top quality. Local school districts do not always apply as stringent specifications to their food purchases.

For these reasons, the Department would prefer at this time to allow pilot projects allowing a cash option for non-surplus items, rather than to provide all schools with an option to substitute cash for all commodity items. During the coming year, we will be working to improve the commodity program and to make it more responsive to local school needs. We will also be reviewing the entire child nutrition area.

Then, next year, we could examine the results of the pilot programs, the new Administration's experience in operating the commodity program, and the Department's review of the overall child nutrition area, and decide the best course to follow for the years to come. We judge this to be the most prudent course.

Sincerely,

BOB BERGLAND, *Secretary.*

MARYLAND STATE DEPARTMENT OF EDUCATION,
Baltimore, Md., May 10, 1977.

Attention: Mr. Eugene Thibodeaux.

Mr. ROBERT J. FREILER,
Regional Director, Child Nutrition Programs, Food Distribution Section, USDA Food and Nutrition Service, Mid-Atlantic Region, Robbinsville, N.J.

DEAR MR. THIBODEAUX: Recently, we requested the latest costs of food on bid from the Prince Georges County Board of Education. The county is a large metropolitan area, bordering Washington, D.C., and serves 67,177 lunches per day.

The unit value is the lastest delivered costs paid by the Department of Agriculture. The fourth column indicates the percent increase of the local bid price over the price paid by the Department.

Perhaps, some of our Congressmen in Washington should see more comparisons such as those and, maybe, they wouldn't be in favor of the cash-in-lieu of commodities program.

Most school systems or districts are smaller in size than Prince Georges and would have less purchasing power, thus, prices would be higher.

Commodity	Unit value	Cost of food on bid	Percent increase
Frozen chicken	$14.12	$19.80	40.2
Frozen turkey rolls	37.54	39.20	4.4
Frozen french fries	6.45	10.05	55.8
Frozen whole turkey	19.96	26.40	32.3
Butter	31.20	37.44	20.0
Cheese	28.96	33.60	16.0
Canned apricots	10.76	14.95	38.9
Canned peaches	9.68	11.20	15.7

Commodity	Unit value	Cost of food on bid	Percent increase
Canned pears	10.13	11.55	14.0
Cranberry sauce	7.56	10.80	42.9
Tomato paste	12.65	16.10	27.3
Canned tomatoes	8.80	11.15	26.7
Canned applesauce	7.85	10.00	27.4
Canned green peas	7.40	8.30	12.2
Canned fruit cocktail	11.00	13.15	19.5
Canned purple plums	8.00	10.20	27.5
Canned sweet potatoes	9.16	9.35	2.1
Canned pork and beans (processed)	4.86	7.30	50.2
Salad oil	19.64	21.24	8.1
Shortening	16.60	19.75	19.0
All purpose flour	4.10	5.13	25.1

Items not listed were not on bid list.

Sincerely,

W. KENNETH SHIFFLETT,
Specialist, Food Distribution Program.

HAZELWOOD SCHOOL DISTRICT,
Florissant, Mo., April 10, 1977.

HON. RICHARD GEPHARDT,
House of Representatives, House Office Building,
Washington, D.C.

DEAR CONGRESSMAN GEPHARDT: As you know from our letter of April 1, many school food service directors in Missouri are very upset at the unfair and unbalanced series on commodities that was presented by KMOX-TV. The Association of Greater St. Louis Area School Food Service Directors now has prepared a statement to KMOX-TV showing how that series went wrong. A copy of that statement is enclosed.

One thing we did not mention in our communication to KMOX-TV:

Many school food service people feel that certain allegations were made without any identification. We don't know if the sources who told you about "shortening down the drain" and of "cooking in a sink" offered to identify any school alleged to be involved in the story. But the result is that many, many school food service people are maligned, that the public is left with an impression that such unprofessional practices apply generally to all of us.

It is our hope, Mr. Gephardt, that once you have reviewed the enclosed statement, you will be willing to take a fresh look at the entire goal of commodities in the School Food Service Program. We would welcome the opportunity to sit down with you informally and discuss with you all aspects of the program.

We need your help in order to strengthen the School Lunch Program in school districts of the St. Louis area. We appreciate your interest in this program and we welcome your support of good nutrition for children. We look forward to working with you on good nutrition for all chidren in the years ahead.

Sincerely,

(MRS.) RUBY CHAPMAN,
Director of Food Service.

Enclosure.

REACTION OF THE ASSOCIATION OF GREATER ST. LOUIS SCHOOL FOOD SERVICE DIRECTORS TO THE PROGRAM SCHOOL LUNCH DILEMMA

(AIRED ON KMOX MARCH 21-25, 1977)

KMOX-TV during the week of March 21 presented a series of newscasts looking into the distribution of commodities by the U.S. Agriculture Department to school lunch programs.

In the course of that series, *untrue charges* were presented, *minor problems* were grossly exaggerated, and the commodity distribution program was *wrongly* portrayed as one of waste and inefficiency. Accuracy and fairness require that the record be set straight. The misinformation that got into the series could be extremely damaging to the future of the school lunch programs.

The fact is, distribution of commodities has been one of the pillars of the National School Lunch Program. In survey after survey, including a limited one by KMOX-TV, school lunch directors in all parts of the country have overwhelmingly favored continuation of the community program.

The KMOX-TV series failed to reflect the true situation, for several reasons. Some very basic information was left out—information that is needed in order to understand the commodity program.

For example, the series alluded to a study of commodity distribution by the General Accounting Office, but neglected to mention the GAO's principal finding, which was: "*Purchase and distribution of commodities for the school lunch program go a long way toward meeting the needs of school districts.*" We agree with that finding, and with the suggestion that some improvements can make it even better.

The KMOX-TV series did not explain that the commodities furnished to schools nationally by the U.S. Department of Agriculture account for about 20 percent of foods used in school lunch. *Eighty percent of the foods are purchased by schools from local suppliers.*

Another basic fact that was given only the quickest—and incorrect—mention: Aside from commodities, the National School Lunch Program *provides cash* to local school lunch programs—ranging from more than 13 cents per meal generally, up to more than 73 cents per meal served free to needy children. *That cash is in addition* to the donated commodities, which have an average value of close to 12 cents per school lunch.

Without explaining the cash reimbursements, listeners could not put into perspective the repeated endorsements in the series of "cash-in-lieu-of-commodities."

Worse yet, KMOX-TV viewers had no way of judging unsubstantiated and erroneous charges that were presented in the series as fact.

Critics of the commodity program made many, many unfounded charges. Although local lunch programs buy most of their food locally, some suppliers are not content with their share of the market. *They want it all*, and that is why some of them want to destroy the commodity program.

Here are some of the ways in which the commodity program was wrongly attacked in the KMOX–TV series:

1. A spokesman for a meat-wholesaling firm, interviewed on the series, charged that schools were receiving so much ground beef from USDA, the schools were forced to serve it every day of the school week.

The charge simply is not true. The state school lunch department can prove that deliveries of USDA ground beef in Missouri amount to only 46 servings per child for the current 180-day school year. That's enough to serve government-supplied beef *one day out of four*. Some school districts received a delivery of beef late last spring, and may have stored it in freezers for use this year. But that additional supply certainly would not have come close to producing the situation alleged by the interviewed wholesaler.

2. A one-week school lunch menu, listing beef in different forms for each of the five days, was singled out in the series to illustrate the erroneous charge of excessive beef supplies.

That five-day menu is an example of gross exaggeration. The menu was not a typical statewide example, nor did it even represent the menu of a school *district*, as the source alleged. The menu was from a *single* school. With *90,000 schools* in the National School Lunch Program, a one-week menu from a *single school* is the weakest kind of argument for attacking the commodity program.

3. Much of the KMOX–TV series dealt with other allegations of large inventories.

Some inventories *are* large, *and there are good reasons*. One example, cited in the KMOX–TV series, was that of a school district which has a one-year supply of nonfat dry milk two years after receiving a large delivery. This is not waste. Nonfat dry milk is not distributed each year. *It stores* well. It will be put to good use.

Most Missouri school lunch directors would say they are happy to have large supplies of commodities, that this has been a *good year* for the kind and quantities of commodities received, compared to the years when former USDA officials manipulated the program in order to weaken it. Even when wheat and soybean stocks built up again, after the shortages caused by the Russian grain deal, those officials refused to allow distribution of flour and soybean oil to school lunch. Congress passed special legislation requiring them to furnish flour and vegetable oil. They complied, but only with token amounts of those very useful

commodities. Considering all the obstacles in the way of commodity distribution, it is a wonder that the program has managed to survive and work so well.

4. At the very outset of the series, a very broad statement attacked commodities as "poor quality food."

The very next sentence in the broadcast referred to a study of commodities by the General Accounting Office. But no mention was made of the GAO finding that while "some quality problems have occurred from time to time, *most school districts considered the overall quality of Federal commodities to be good. Spoilage was minimal.*"

5. The KMOX–TV series reported several charges of poor experiences with commodities, without substantiation. One example was the allegation that USDA-supplied shortening was unusable and therefore was melted and poured down the drain.

This allegation is very difficult to believe. Large quantities of the same shortening have been put to use in many school lunch programs. Not a single complaint against the product has been received by the Missouri state school lunch office. When the same allegation was made by another source, efforts were made to verify the incident, but the source has not responded to requests for further information.

6. In some cases, statements by school lunch directors were cited as examples of major problems. That was the case with the lunch director who reported he had far more peanut butter on hand than he could use for some time.

That was true, but it was not any kind of example of waste. That district's inventory of peanut butter had built up because the district has been receiving unusually *good supplies* of beef, poultry and other protein foods. As a result the district has made much less use of peanut butter than previously. Periodically, the state school lunch office reviews commodity inventories in the school districts. An oversupply, such as the situation with peanut butter, is corrected by balancing inventories through an established system of transferring unneeded quantities to other districts that have a need for additional amounts. *There was no waste.*

7. The same school lunch director conceded he was unhappy with the delivery of USDA-supplied butter in the form of 68-pound blocks.

This delivery was a one-time exception to the usual smaller blocks of butter. A quantity of butter in the large blocks was offered by USDA to the state school lunch department—by phone with an immediate "yes" or "no" required. The USDA representative was not able to say if any butter again would be offered for this school year, or whether or not in preferred sizes. The butter was accepted, and it was distributed to larger distribution centers namely St. Louis, Kansas City, Springfield. One lunch director who said he wasn't happy with the block butter, didn't feel strongly enough about it to bring it to the attention of the State school lunch department. This butter in large blocks was an asset to school food service operations in the state.

8. The same lunch director, asked about other deliveries that he might not be happy with, cited the delivery of turkeys in smaller size than usually furnished by USDA.

The explanation is that turkey growers apparently are confronted by feed costs that make it impractical to carry the turkeys through to the accustomed weight. There is no severe problem in using the smaller turkeys in school lunch programs.

9. KMOX–TV looked into the experience of Kansas which, because of a quirk in legislation, is the one State where commodity distribution was killed and where the schools get cash in lieu of commodities. The charge was made that even though commodity distribution ended in Kansas three years ago, large quantities of USDA commodities still remain—an alleged example of excessive inventories.

To illustrate that example, KMOX–TV showed what is called USDA-supplied nonfat dry milk and frozen orange concentrate. But the products were *not* USDA commodities. They were commercially purchased products, with the brand names very visible.

10. The meat distributor, in his segment of the program, referred to a study of cost analysis on Type A Lunches in Oklahoma and Kansas. He indicated there are certain savings per meal in Kansas resulting from cash in lieu of commodities.

We have analyzed the report and we challenge the accuracy of this statement. In fact, we feel the report indicates a savings in favor of the Oklahoma program. This study and the findings are available for anyone's examination.

It is distressing that the KMOX–TV series, relying on erroneous information, hammered away at the same proposal that is advanced by opponents of com-

modity distribution: That schools be given the option of taking cash in lieu of commodities, *in addition* to the cash reimbursement already provided. That may sound like a reasonable and harmless idea, but it is not.

If schools were given the cash equivalent of the cost of the commodities, *most of them would get less food for the dollar.* Only the very largest school districts have the buying power to get the kind of prices that the Federal Government gets when it buys in very large volume. Local school districts would have to make up the difference if commodities were discontinued.

Nevertheless some school districts might be tempted or pressured to try out cash in lieu of commodities. The result would be a divided system, with more complications in administration—something that we certainly don't need. But more than that, any such weakening of the commodity program would lead in a few years to the complete phase-out of the program.

The commodity program should not be weakened. It should be improved and strengthened. In a program that serves lunches to *25 million children a day, in 90,000 schools* throughout the country, it is understandable that commodity distribution doesn't achieve complete perfection in *every* delivery, *every* year, with *every different type of school lunch operation.* But that is no reason to kill a needed program.

The overriding fact is that commodity distribution helps us to provide nutritious lunches at a saving to 25 million American school children daiyl. And that's what it's all about.

○